

# EXTENSIONS OF REMARKS

## POST OFFICE NAMING IN BALTIMORE, MARYLAND

**HON. ELIJAH E. CUMMINGS**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. CUMMINGS. Mr. Speaker, I am pleased to introduce this bill to designate five United States Postal Service buildings after five individuals who made significant contributions to Baltimore and the State of Maryland.

I believe that persons who have made meaningful contributions to society should be recognized and honored. The naming of a postal building in one's honor is truly a salute to their accomplishments and public service. These individuals are Samuel Lacy, Judge Robert Bernard Watts, Judge Harry Augustus Cole, Frederick Dewberry, Jr., and Flossie McClain Desmond.

I will give a brief biographical description of the individuals and the locations of the post office being named.

The "Samuel H. Lacy, Sr. Post Office Building" will be located at 919 West 34th Street, Baltimore, Maryland.

Samuel H. Lacy was a renowned sports writer and editor for the Baltimore Afro-American Newspaper since 1944. He spent 60 years in journalism, working with radio, television, and the print media.

The "Judge Robert Bernard Watts, Sr. Post Office Building" will be located at 3500 Dolfeld Avenue, Baltimore, Maryland.

Judge Robert Bernard Watts, Sr. was the first African-American to be appointed full time to the Bench of the Municipal Court of Baltimore City. Judge Watts, who was born in West Baltimore, graduated with honors from Morgan State College in 1943 and then served in the Army until 1945. He earned a law degree from the University of Maryland in 1949. Judge Watts was at the center of the Civil Rights Movement and worked closely with the NAACP. His dedication to civil rights led him to a long working relationship with the late Justice Thurgood Marshall. Judge Watts was instrumental in desegregating numerous theaters, restaurants, department stores, hotels and the Gwynn Oak Amusement Park. Watts was the first judge in Maryland to open hundreds of adoption records reuniting numerous families.

The "Judge Harry Augustus Cole Post Office Building" will be located at 900 E. Fayette Street, Baltimore, Maryland.

Judge Harry Augustus Cole was the first African American Assistant Attorney General in Baltimore City, the first African American to be elected to the State Senate of Maryland, the first Chairman of the Maryland Advisory Committee to the United States Civil Rights Commission, and the first African American to be named to Maryland's highest court, the Maryland Court of Appeals. Educated in the Baltimore City Public School System, Judge Cole graduated from Morgan State University in 1943. While at Morgan, he was the President

of the Student Council, and Founder and first Editor-in-Chief of the Spokesman College Newspaper. A World War II veteran, Judge Cole graduated from the University of Maryland School of Law and practiced criminal and civil rights law.

The "Frederick L. Dewberry, Jr. Post Office Building" will be located at 1001 Frederick Road, in Baltimore, Maryland.

Frederick L. Dewberry, Jr. was born and raised in Baltimore City. He is a graduate of Loyola College and received a law degree from the University of Baltimore. A World War II veteran, Mr. Dewberry held the post of Chairman of the Baltimore County Council from 1964 to 1966. From 1979 to 1984, Frederick Dewberry was the Deputy Secretary of the Maryland Department of Transportation.

The "Dr. Flossie McClain Desmond Post Office Building" will be located at 1908 North Ellamont Street, in Baltimore, Maryland.

Dr. Flossie McClain Desmond earned a bachelor's degree in English from Fisk University, received a Master's degree from Columbia University and pursued post graduate studies at Ohio State University and Catholic University of America. She served in teaching and administrative positions at Allen University, Benedict College, Knoxville College, Morgan State University, and Coppin State College. Dr. Desmond spent 31 years working at Coppin State College, where she served in numerous roles. Upon her retirement, the honor of "Dean Emeritus" was bestowed upon her. In 1993, Coppin's first residence hall was named after her and is called, 'The Flossie M. Desmond Center For Living and Learning.' A talented musician, Dr. Desmond composed the Alma Mater for Allen University and the song is still in use today.

Muhammad Ali, the greatest boxer of all time once said that "service to others is the rent you pay for your room here on earth." Samuel Lacy, Judge Robert Bernard Watts, Judge Harry Augustus Cole, Frederick Dewberry, Jr., and Flossie McClain Desmond have paid their rent. I am honored to submit this legislation saluting five people from my district who spent their lives giving service to others.

I urge my colleagues to support this worthwhile measure.

## CELEBRATING THE 150TH ANNIVERSARY OF IMMANUEL UNITED METHODIST CHURCH

**HON. DAVID E. BONIOR**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. BONIOR. Mr. Speaker, today I rise to recognize a truly remarkable church. The Immanuel United Methodist Church building may have moved around Eastpointe several times since its founding as the Roseville German Methodist Church in 1849, but its congregation has stood its ground in the community for all of its 150 years.

The church conducted its services in German until 1923, helping establish an identity for the German immigrants that settled in the area. As the population changed, so did the church which has evolved to meet the needs of the community. The church can credit its longevity to the teaching "Do unto others as you would have done unto you". Immanuel United Methodist Church has never focused on itself, but through its good works has established itself as an anchor to the Eastpointe community.

The original structure stood on what is now the grounds of the Eastpointe Police Station, where the original cemetery still sits. The structure built in 1874 was well known for the lighted revolving cross that could be seen for miles atop the church steeple. It became known as "The Church of the Revolving Cross".

When the state chose to widen Gratiot Avenue in 1933, the church moved to its present site and added an educational unit in 1956. Today, the church's 450 members are quite proud of the well-known stained glass window picturing Christ as "The Good Shepherd". The church is in fact a good shepherd to our community. The congregation provides an emergency food pantry, furnishes weekly meals to a local warming shelter, and supplies salary support for a mission in Africa.

Since the days when the area was known as "bush territory" wild and unsettled, the church has been a part of our community, and we all look forward to many, many more years of service and dedication. Please join me in wishing all the best to the Immanuel United Methodist Church on its 150th anniversary.

## TRIBUTE TO ANGELO STATE UNIVERSITY

**HON. CHARLES W. STENHOLM**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. STENHOLM. Mr. Speaker, I rise today to recognize an outstanding educational institution in the 17th District of Texas. Angelo State University in San Angelo, Texas, provides top rate education to students from across Texas, the United States and the world. The University will be completing construction of its Rao Alumni and Visitors Center in 2001.

Last Friday, during homecoming festivities, a time capsule was dedicated and buried by the Alumni Association. This time capsule serves as a symbol of the University's commitment to the future. Included in the capsule was a flag flown over the Capitol as our dedication to future generations.

The capsule will be opened during the homecoming celebration in 2025.

I would like to submit for the RECORD a copy of a resolution that I offered the University on this very special occasion.

It is my hope that this nation and my home state of Texas will continue to honor universities like Angelo State University that have

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

dedicated themselves to providing the best possible education to its students.

#### RESOLUTION

Whereas, Angelo State University will complete construction of its Rao Alumni and Visitors Center in 2001; and

Whereas, This center will serve as a link to the future and the past of Angelo State University, welcoming both new students and its alumni; and

Whereas, Angelo State University has made an ongoing commitment to the future by providing a top rate education to students from across Texas, the United States and the world; and

Whereas, The dedication of this time capsule by the Alumni Association serves as a symbol of Angelo State's commitment to the future; and

Whereas, We included in this capsule a flag flown over our nation's capitol on October 4, 1999, as symbol of our dedication to those future generations who will open it during the 2025 Angelo State University homecoming celebration, be it

*Resolved*, That I, Charles W. Stenholm, as Congressman for the 17th District of Texas, do officially recognize and extend my best wishes on the dedication of this capsule by the Angelo State University Alumni Association and that an official copy of this resolution be presented to the University and Alumni Association as an expression of my high regards for their efforts.

CHARLES W. STENHOLM,  
Member of Congress.

#### COOPERATION BETWEEN THE GAMBIA AND NASA

#### HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. BURTON of Indiana. Mr. Speaker, I rise today to highlight for my colleagues the continued cooperation between The Gambia and the National Aeronautics and Space Administration (NASA). The Gambia's President, Dr. Yahya Jammeh, recently completed his first visit to the United States as head-of-State, and I had the opportunity to meet with him personally to discuss issues of mutual interest.

The Banjul Airport has been among four select locations in the world designated as augmented emergency landing sites and recovery locations for the United States Space Shuttle. NASA space shuttles, launched eastward in a ballistic trajectory over the Atlantic Ocean, fly directly over Banjul, thus making it an ideal location for emergency landings if needed. Banjul International Airport (BIA) boasts an ultra-modern \$10 million passenger terminal, a new nine-floor Air Traffic Control Tower, newly installed security systems, and upgraded airfield lighting and navigation systems. In addition, The Gambia's Civil Aviation Authority (GCAA) works closely with the United Space Alliance, which is responsible for operating the Transoceanic Abort Landing (TAL) sites for every NASA space shuttle mission.

Mr. Speaker, I would like to commend NASA and President Jammeh for their cooperation, and I strongly encourage them to continue to work together in the future.

#### A TRIBUTE TO ROY QUICK OF QUICK TAX & ACCOUNTING SERVICE ON SELECTION TO THE INTERNAL REVENUE SERVICE ADVISORY COUNCIL

#### HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. TALENT. Mr. Speaker, I rise today to congratulate a resident of Missouri's 2nd District and a friend—Mr. Roy M. Quick, Jr. on his selection to serve as a member of the Internal Revenue Service Advisory Council (IRSAC). Roy, who is a small business owner back home in St. Louis, runs Quick Tax and Accounting Service with his wife Edith.

The primary role of the IRSAC is to advise the Commissioner of the IRS on the public's perceptions of IRS activities and current and future tax administration programs and initiatives. As a Member of Congress who attends many town hall meetings, women in chamber and business roundtable events back home, I can tell you that this is definitely an area where the IRS has plenty of room for improvement. The group suggests operational improvements and offers constructive observations about current or proposed policies, programs and procedures. In essence, the men and women who sit on this Council could be called the inner voice of the IRS.

While I am proud to announce the selection of Roy Quick to the IRSAC, I am especially pleased by the fact that seven of the new IRSAC members are small business owners. For too long, small business owners have not had a seat at the table when talking about the complex regulatory and tax issues that leave them in a quagmire of compliance paperwork. I am hopeful that with seven of the fourteen slots on the IRSAC now being held by small business owners that these men and women will offer guidance and a real life perspective to the decision-making process that affects more than 12 million small business owners across the nation.

Mr. Speaker, as Chairman of the House Committee on Small business, I ask all of you to join me in offering not only our congratulations but our appreciation to these men and women—the small business owners like Roy Quick—who every day are working to keep America's engine—small business—running and on course to a better tomorrow.

#### A TRIBUTE TO SENIORS HELPING PEOPLE

#### HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. CUNNINGHAM. Mr. Speaker, I rise today to pay tribute to Al Graff and Dick Wheelock for their humanitarian contributions to our local community. The article below from the June 17, 1999, Coast News highlights their tremendous accomplishments in providing health care to the uninsured in San Diego County. Mr. Graff and Dr. Wheelock deserve our sincere congratulations for their efforts. They should be proud of their work, and I am proud to have such fine individuals as constituents.

[From the Coast News, June 17, 1999]

#### RETIRED FRIENDS TENDING TO THE PEOPLE'S NEEDS

By Jack Broward

EDEN GARDENS—There is no more appropriate term in describing Al Graff, 80, and his partner Dick Wheelock, 73, than synergism: working together as a team, they exceed what could otherwise be achieved individually.

Yet, judged individually, Graff stood at the very pinnacle of his engineering profession as an executive with General Atomics before retirement in 1983 as director of International Operations.

Dr. G. Richard Wheelock, founding Medical Director in 1955 of the Del Mar Medical Clinic, was for the seaside community of Del Mar, only the area's second medical doctor to practice there at that time. It was not long before Wheelock's medical colleague retired, leaving him as the only physician in town.

Like all areas of North San Diego County's coastal region, the climate, lifestyles and informality attracted tens of thousands of new residents. In time, new doctors, joined the clinic as patient load increased.

In retrospect, Wheelock thinks now that he might have never retired without the retirement party that his wife threw for him without advance notice!

For as many years as he can remember, Rancho Santa Fe resident Al Griff has been an advocate for social justice, a calling he refers to as "the needs of the people."

The Berkeley graduate forged over the years, a dedication to social justice that eventually manifested itself in his ordination as a deacon at Solna Beach's St. James Catholic church. His new role in life began the day after his retirement in 1983.

The plot thickens with Wheelock's retirement from practice in Del Mar after 44 years as "the village doctor."

Graff's good health, agile mind and aggressive spirit were the elements key to the ultimate establishment of a medical clinic here in Eden Gardens.

His lengthy friendship with Wheelock included participation in community efforts to aid the poor and needy residents of Tijuana. "We were returning from Tijuana one Saturday afternoon after delivering medical supplies donations from area hospitals in the region," recalls Graff. "Dick asked me what I thought about opening a small clinic adjoining St. Leo's Mission."

Through arrangements made by St. James Pastor, the Reverend John Howard (St. Leo's Mission is a subsidiary of St. James), it was agreed that a clinic was needed. The Mission, located on some four acres of property, is a focal point of community life in Eden Gardens. Social as well as religious events draw parishioners to the facility for wide ranging activities throughout the week.

"We situated the clinic in a single room in the back of the church, using the kitchen facilities as a patient waiting room." Dick Wheelock recalls, telling how, in 1992, the clinic's presence was a "word-of-mouth" operation.

Sunday Mass announcements included (and still do) a run-down about clinic hours, special education awareness programs, vaccinations for babies, a yearly mammogram program for women over 40 years of age as well as numerous other special programs offered by the clinic. In a short time, the clinic patient load outgrew its single-room operation. The addition of two more small rooms plus an indoor patient waiting room that also serves as the filing-administration section was eventually provided.

Thursday evenings from 6-9 p.m. and Saturday mornings from 9 until noon are the

current scheduled hours of operation. But I noticed in visits for this story, that the medical staff, comprised of Wheelock and an all-volunteer team of area physicians, medical students from UCSD, nurses, technicians and administrative personnel remained at the clinic as long as patients were waiting to be seen.

"From the beginning, we realized the need for dispensing dignity and integrity along with medical treatments," notes Graff, explaining that the \$5 per-patient "donation" may only be a token exchange for services and payment. "But, this helps preserve the patient's dignity. Those unable to pay are treated with equal respect and medical care. All examinations, medications and related services are free. But the \$5 fee creates a fund used for the purchase of logistical needs not donated by outside sources," Graff explains, noting that the clinic's overall operations are supported by grants that he applies for and receives from a variety of institutions and non-profit organizations.

With diabetes within Hispanic communities a major concern for the medics, the clinic conducts weekly diabetic health education programs for Eden Garden families. There is an estimated population of 12,500 residents in the area, according to Graff. Ninety-five percent of those who come to the clinic are from working poor families, the majority of whom are without health coverage, he said, emphasizing that "Everyone who comes through that door is accepted." Patients on MediCare are referred to medical facilities elsewhere, it was noted. On a Saturday morning during one of my visits to the clinic, a multitude of patients, mothers with their infant children, husbands and wives, school-age youngsters, all were waiting in a patio shaded by trees. Patient loads currently are running at about 60 patients on each of the twice per-week days of operation.

One of the most redeeming qualities associated with the clinic is first, that an efficient, highly professional medical facility is maintained in close proximity to community residents. Next, that those patients seen by the clinic relieves the burden that otherwise would necessarily be cared for by public health agencies, explained Victor Tostada, another of the staff volunteers who serves as administrative director.

In an annual report issued last February, it is emphasized that "All patients, especially infants and children, are accepted regardless of race, color, origin or creed."

In its mission statement accompanying the report, it is also noted that the clinic presents "no competition with medical, dental or hospital professions, but a relief of a burden of caring for the working poor."

States Deacon Graff, "We estimate about \$600,000 yearly in services and medicines as well as specialized requirements (provided at no cost by other medical institutions) are provided for our patients free from any impact on local, state or federal government resources. Because St. Leo's Mission is the sponsoring agency, our patients accept our services as they do in all other church-sponsored benefits."

Among the clinic volunteers on duty during my visits was Dr. Marsha Blount, a resident family practice physician at Sharp's. Rounding out a full year of service, the North Carolina native and graduate of Duke University and Jefferson Medical School in Philadelphia, commented to me, "You learn to think on your feet here. It is hands-on experience that would otherwise be hard to gain."

Another resident physician at Sharp's, Jill Panitch, agreed with her colleague and told how second and third-year resident physicians volunteer one year of service to the clinic.

Michael Tilton, an undergraduate medical student at UCSD has been volunteering his services for the past 18 months. And fifty-year, now-retired nurse Martha Moyer, a Del Mar resident, explained between treating patients that the clinic tries to serve the working poor from Del Mar to Encinitas. She recalls in 1992 reading about the clinic that was intended to open at St. Leo's in Eden Garden. "That's how I wound up as a volunteer."

It is reflection of my limited abilities to not include in this story all of the names of clinic volunteers. The redeeming quality about their service, though, is that they serve—at no cost—because they are needed. Fulfillment, professional and personal, is their reward.

Already on the drawing board at the clinic is a 600 square-foot dental facility to be constructed by volunteer labor and funds supplied by the parish of St. James and St. Leo's Mission as well as from the Del Mar and Sunrise Rotary Club members. Three dental chairs, x-ray equipment and ancillary requirements are identified in the construction plans, according to Graff. His programs, current as well as those on the horizon, are extensive and infinite in measures of contributions to be made to community life in Eden Gardens. He manages dedication, consistent with his and Wheelock's accomplishments of the past.

I waited until now to introduce more fully Dr. Wheelock, a type-cast-physician who may've posed a half-century ago for one of artist Norman Rockwell's cover paintings for Saturday Evening Post. He reflects in his conversation and mannerisms a sense of genuine modesty, characteristic of remote regions of Arizona and the southwest where he was born and raised.

Recalling his closing years as head of the old Del Mar Clinic, Wheelock told of young doctors at the clinic approaching him on the subject of expanding the facility that he founded, keeping pace with the population growth and adding to a facility that was dedicated to serving the medical needs of families in the community. I felt the pressures but I just didn't feel comfortable with the prospects of expanding. So I retired.

But not for long. Today, after six years of building-back growth in his and Al Graff's new clinic, there has likely been restored in the career of Dick Wheelock, a sense of picking up where he left off so many years ago, during the infancy of his Del Mar Clinic. Says his partner, "Dick Wheelock is deeply devoted to his profession and those who look to him for relief from pain. He has great empathy for his fellow human being."

Which makes this story all the more remarkable is that two individuals in totally different professions would become friends in later life, then partners in an endeavor whose function is enriched with feelings of warmth, compassion and love for those less fortunate than themselves.

#### ENTERPRISE ZONE/EMPOWERMENT COMMITTEES PROGRAM

#### HON. DONNA MC CHRISTENSEN

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 8, 1999

Mrs. CHRISTENSEN. Mr. Speaker, I rise today to introduce a bill to authorize the Virgin Islands and the others U.S. Insular Areas to participate in the Enterprise Zone/Empowerment Communities Program.

The U.S. Virgin Islands has been an unincorporated territory of the United States for 82

years. In 1917 we will celebrate the centennial of this relationship. It is important to the People of the Virgin Islands that we begin the second one-hundred years on a sound economic footing, and as a self-sustaining, contributing member of the American Family. This bill can be the vehicle to this economic empowerment and sustainable growth and development.

Although the Virgin Islands enjoys generous business tax benefits currently, the loss of Section 936 and the coming of NAFTA create significant challenges as we strive to establish our place in the national and world economy. An empowerment zone would encourage an ongoing community planning process and provide for a local-federal partnership that is the best framework for us to move forward.

What this bill seeks to do is to develop a process for us to come together as a community and a part of the United States to address a myriad of issues that have plagued us, from land use planning, to housing, to education, to drugs and crime, and business and the economy, so that by the time we celebrate the 100 year anniversary of being a part of the American family we will do so with the pride and dignity that befits us and the ancestors on whose shoulders we move forward.

I urge my colleagues to join me in support of this bill and of its enactment into law.

#### TRIBUTE TO WALTER PAYTON

SPEECH OF

#### HON. ROGER F. WICKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 3, 1999

Mr. WICKER. Mr. Speaker, I rise today to honor the life of fellow Mississippian Walter Payton who died earlier this week at the age of 45. Walter Payton was born in Columbia, Mississippi, on July 25, 1954. Following his outstanding career at Jackson State University, he was drafted by the Chicago Bears where he would spend the next 13 years rewriting the NFL record books.

Walter Payton's on-field accomplishments, his engaging personality and his off-the-field contributions to community and civic affairs have earned him a lasting place in the hearts of millions of Americans.

He proved that a strong work ethic and a commitment to excellence could propel an undersized athlete from a small college in Mississippi to the top of the professional football world. He was praised for bringing positive attention to the abilities of players who come from small colleges. Among his admirers is Jerry Rice, another Mississippian from a small school who became an NFL superstar. "He paved the way for so many small schools and players, including myself, because he opened a lot of eyes," Rice said.

Mississippians are proud of this Hall of Fame running back for his success in running over, around and through opposing defenses. We are equally proud of his commitment to family, church, and community.

Many people will recall his work to ensure that thousands of children received toys and clothing for Christmas. Among his activities were efforts to help over 9000 churches, schools, and social service agencies raise money to support their missions, and establishing scholarships so that children, who had

been wards of the state, might see their dreams of college become a reality. He also created job training and placement programs for the unemployed and worked with the Illinois Department of Children and Family Services to find families for orphaned children. And while Walter is no longer with us, the Walter Payton Foundation will continue his great humanitarian legacy for years to come.

Mr. Speaker, Walter Payton was a role model in his public life as a professional athlete in his private life as husband, father, and community leader. We will miss him.

MARGRET HOFMANN REMINDS US  
OF THE MEANING OF  
KRISTALLNACHT ON THE ANNI-  
VERSARY OF NOVEMBER 9, 1938

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. LANTOS. Mr. Speaker, the Holocaust must be remembered and it must be studied to prevent the real danger of repeating the experience of that horrendous nightmare. As recent conflicts in the Great Lakes Region of Africa, Kosova, East-Timor as well as many other places remind us only too well that, although we are now enjoying an era of general prosperity and relative tranquility, many peoples around the world have not yet learned to live with one another in peace. In fact in the last decade, the practice of ethnic cleansing in Bosnia, Kosova and other areas of the former Yugoslavia has only served to remind us how little progress we have made in the past half century.

In this context, Mr. Speaker, it is important that we take note of a tragic anniversary on November 9th—the first physical violence against Germany's Jews by Hitler's Nazi regime. That tragic occasion has been given the name "Kristallnacht"—Crystal Night—because of the number of broken and smashed windows that accompanied the racist violence. Years of dehumanizing anti-Semitic propaganda in Germany, which was intensified after Hitler and the Nazi party came to power in 1933, prepared the way for Kristallnacht. The aggressive racist and anti-Semitic policies of the Third Reich saw their first expression in violence on November 9, 1938. Kristallnacht serves as a chilling reminder to what happens when an inflamed mob mentality overtakes a nation.

Mr. Speaker, Margret Hofmann was an eyewitness to the tragedy of Kristallnacht. She has devoted years of her life to researching and studying the circumstances surrounding Kristallnacht and its consequences. I want to commend her for her work and insert some excerpts from her studies that make a valuable contribution to our understanding of how Kristallnacht was a first step in setting in motion the nightmare of the Holocaust.

In 1933, the German-Jewish poet Heinrich Heine said, "Where books are burnt, Man will soon burn human beings." That is the point of beginning of Margret Hofmann as she considers the background and meaning of Kristallnacht.

Books were burnt in Germany on May 10, 1933, people soon followed. In between the burning of the books and the burning of the

people, the Nazi government in Germany instigated the notorious Kristallnacht, the "Night of Broken Glass." This was the event which set the stage for Hitler and other Nazi leaders to attempt to "eliminate" the Jews from Germany and eventually the whole world. It was the kind of event that proved ideal for Nazi purposes.

On October 27, 1938, Germany expelled 15,000 non-German Jews. Although many had lived in Germany for decades and even raised families there, they were put on trains and sent to Poland. This was done by the German government without notifying the Polish government or without taking any steps to deal with the number of people. Enraged by this action, Herschel Grynszpan, whose parents had been summarily expelled from Germany, went to the German Embassy in France and shot a German diplomat, Ernst vom Rath.

The occasion was tailor-made for the Nazi propaganda machine. The funeral of vom Rath in his hometown of Dusseldorf was grandiose. The Nazi government used the murder of vom Rath to give a false impression that German citizens spontaneously rose against the Jews. The night of the funeral, November 9, 1938, the Nazi government instructed the local police throughout Germany to "allow" the German people to rise up and "strike back" at the Jews. "The people" were Nazi "Brown Shirts" and German soldiers. The police were told to make sure non-Jews were not attacked and only Jewish buildings were destroyed. All over Germany synagogues and temples were burned, Jewish homes were ransacked, and a number of Jews were killed. By 1938 the Nazi propaganda machine had complete control of the press, and this pogrom was portrayed as a spontaneous uprising against the Jews.

From that point on, the Nazi regime with increasing violence stripped Jews of their rights. They were forced out of the schools and universities, they were prohibited from practicing law, medicine, and other professions. Many were evicted from their homes and their belongings were confiscated. Before long Jews were required to wear a yellow star of David on their clothes so others could recognize they were Jewish. Many streets were declared off-limits to Jews.

After years of anti-Semitic propaganda, many Germans succumbed to racism, prejudice, intolerance, and discrimination. This racial hatred, which was given its defining violent moment in Kristallnacht, led directly to the "Final Solution," the fanatic Nazi drive to annihilate the Jewish race. For each piece of history, we must find a defining moment. For Nazi Germany, it was Kristallnacht.

### CONFERENCE REPORT ON S. 900, GRAMM-LEACH-BLILEY ACT

SPEECH OF

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1999*

Mr. STARK. Madam Speaker, the glaring absence of any financial privacy provisions for affiliated entities in the financial modernization bill before us today is a sorry mistake. It is wrong and inappropriate for Congress to, on the one hand, enact legislation that explicitly allows mergers between banks, insurers and

securities firms—but which on the other hand denies consumers any say in how their personal financial information can be used and disclosed.

I thought we learned this lesson 21 years ago, when Congress enacted the Right to Financial Privacy Act. That 1978 law, which I authored, put in place standards governing access and sharing of financial information for federal agencies. It stemmed from a Supreme Court decision that ruled the fourth amendment does not apply to banking records. As a former California banker, I had been a party in that 1974 suit, *California Bankers Association v. Schultz*.

And here we are today, throwing open the door for financial institutions to create huge new holding companies—without giving consumers any ability to say how their sensitive personal financial information can be shared. In effect, we are creating a financial privacy vacuum.

This runs counter to what we are trying to achieve in the area of medical confidentiality, where we are aiming to put the strongest possible safeguards in place at the Federal level, while preserving what is best about State privacy laws. In the next week or so, HHS will issue proposed regulations for medical privacy, which on balance are expected to be strong. If we can give consumers rights over their medical data, why can't we also give them a measure of control over how their financial data is used, marketed, and sold?

Defenders of the conference agreement say that the bill limits sharing of personal financial data with non-affiliated, third-party entities. Nonsense. All that companies that don't formally affiliate have to do to escape the bill's consumers opt-out provision is enter into a joint agreement. Then, presto, they are free to manipulate personal financial data in any way they like.

Nobody likes getting annoying calls from pesky telemarketers at dinnertime. Well, once this bill passes, the telemarketing business will go through the roof. Mergers between banks, securities firms and insurers will produce data amalgamation like we've never seen before. Before long, your health insurer will be able to get information on how money you make and what investment strategies you favor—making underwriting that much easier. Your bank will be able to easily look up how many checks you've written to your psychiatrist—and use that information to help decide whether you're an acceptable loan risk.

This is the dawning of a new Orwellian Age of Information.

I urge my colleagues to oppose this ill-conceived legislation.

### PROVIDING FOR CONSIDERATION OF H.R. 3196, FOREIGN OPER- ATIONS, EXPORT FINANCING, AND RELATED PROGRAMS AP- PROPRIATIONS ACT, 2000

SPEECH OF

### HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. SANDLIN. Mr. Speaker, the Foreign Operations Appropriations bill for FY 2000 represents a product of bi-partisan negotiations.

Finally, the Republican leadership has agreed to sit down with Democrats and work and an appropriations bill that doesn't face a veto threat. It funds the U.S. brokered Wye River Agreement, an important part of achieving a real and lasting peace in the Middle East and affirmation of our commitment to Israel, a critical ally.

A vote for this bill is a vote for a strong leadership role for the United States. I urge passage of this bill because foreign operations bolster our military and national security. This legislation declares support for our armed services and for the men and women who risk their lives to protect our freedom.

A TRIBUTE TO MILTON S.  
HOFFMAN

**HON. NITA M. LOWEY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mrs. LOWEY. Mr. Speaker, I rise today to express my great admiration for Milton S. Hoffman, senior editor of the Editorial Board of The Journal News in Westchester County, NY. Mr. Hoffman's outstanding accomplishments in the field of journalism and his significant contributions to the government and civic life of the county have merited him still another award—the press gallery in the chambers of the Westchester County Board of Legislators will be dedicated in his honor later this month.

A man of high principle, integrity and skill, Mr. Hoffman began his lifelong newspaper career as an elementary school student in West Harrison, NY. In 1955, he started a 17-year stint covering Westchester County government for a precursor of The Journal News. He provided consistently thorough and thoughtful coverage of issues before the then-governing body, the County Board of Supervisors. His insightful writing also led to the replacement in 1969 of the Board of Supervisors with a more representative and efficient County Board of Legislators.

Mr. Hoffman continued his tireless advocacy for progressive social policies as the state government and politics reporter, editorial page editor, columnist and now senior editor. His philosophy throughout a distinguished 45-year career has been "not to tear things down, but to build them up."

How fitting that the press gallery be named for a journalist who has trained, over four and a half decades, thousands of young reporters in the principles of fairness and accuracy. Indeed, Westchester County today has a better governing structure thanks to Milt Hoffman's vision and leadership. And all of us in the County are richer because of his unfailing dedication and commitment to making this a better place to live and work.

CONFERENCE REPORT ON S. 900,  
GRAMM-LEACH-BLILEY ACT

SPEECH OF

**HON. RON PAUL**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1999*

Mr. PAUL. Madam Speaker, today we are considering a bill aimed at modernizing the fi-

ancial services industry through deregulation. It is a worthy goal which I support. However, this bill falls short of that goal. The negative aspects of this bill outweigh the benefits. Many have already argued for the need to update our financial laws. I would just add that I agree on the need for reform but oppose this approach.

With the economy more fragile than is popularly recognized, we should move cautiously as we initiate reforms. Federal Reserve Board Chairman Alan Greenspan (in a 1997 speech in Frankfurt, Germany and other times), Kurt Richebacher, Frank Veneroso and others, have questioned the statistical accuracy of the economy's vaunted productivity gains.

Federal Reserve Governor Edward Gramlich today joined many others who are concerned about the strength of the economy when he warned that the low U.S. savings rate was a cause for concern. Coupled with the likely decline in foreign investment in the United States, he said that the economy will require some potentially "painful" adjustments—some combination of higher exports, higher interest rates, lower investment, and/or lower dollar values.

Such a scenario would put added pressure on the financial bubble. The growth in money and credit has outpaced both savings and economic growth. These inflationary pressures have been concentrated in asset prices, not consumer price inflation—keeping monetary policy too easy. This increase in asset prices has fueled domestic borrowing and spending.

Government policy and the increase in securitization are largely responsible for this bubble. In addition to loose monetary policies by the Federal Reserve, government-sponsored enterprises Fannie Mae and Freddie Mac have contributed to the problem. The fourfold increases in their balance sheets from 1997 to 1998 boosted new home borrowings to more than \$1.5 trillion in 1998, two-thirds of which were refinances which put an extra \$15,000 in the pockets of consumers on average—and reduce risk for individual institutions while increasing risk for the system as a whole.

The rapidity and severity of changes in economic conditions can affect prospects for individual institutions more greatly than that of the overall economy. The Long Term Capital Management hedge fund is a prime example. New companies start and others fail every day. What is troubling with the hedge fund bailout was the governmental response and the increase in moral hazard.

This increased indication of the government's eagerness to bail out highly-leveraged, risky and largely unregulated financial institutions bodes ill for the post S. 900 future as far as limiting taxpayer liability is concerned. LTCM isn't even registered in the United States but the Cayman Islands!

Government regulations present the greatest threat to privacy and consumers' loss of control over their own personal information. In the private sector, individuals protect their financial privacy as an integral part of the market process by providing information they regard as private only to entities they trust will maintain a degree of privacy of which they approve. Individuals avoid privacy violators by "opting out" and doing business only with such privacy-respecting companies.

The better alternative is to repeal privacy busting government regulations. The same ap-

proach applies to Glass-Steagall and S. 900. Why not just repeal the offending regulation? In the banking committee, I offered an amendment to do just that. My main reasons for voting against this bill are the expansion of the taxpayer liability and the introduction of even more regulations. The entire multi-hundred page S. 900 that reregulates rather than deregulates the financial sector could be replaced with a simple one-page bill.

TRIBUTE TO THE GRANDMOTHERS  
OF PLAZA DE MAYO

**HON. TOM LANTOS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. LANTOS. Mr. Speaker, I would like to bring to the attention of my colleagues the service and commitment of some outstanding women—the Grandmothers of Plaza de Mayo. After 20 years, this non-profit organization has located 64 disappeared children of Argentina, and helped reunite the victims with their families, allowing them to recover their identity and their history. I want to commend the Grandmothers of Plaza de Mayo on their efforts and their dedication in reuniting children who disappeared during the military dictatorship that ruled Argentina from 1976 to 1983 with their legitimate families.

Mr. Speaker, in 1976, the armed forces of Argentina began a process of systematically violating some of the most fundamental human rights. This despotism resulted in the disappearance of over 30,000 persons, including hundreds of children. The Grandmothers of Plaza de Mayo have used many different tactics to search for these children who disappeared during the brutal tyranny of the military regime. Their primary purpose is to preserve the identity, roots and history of these children, which are the fundamental basis for human dignity.

Fortunately, advances in science and technology have made it possible for these families to be reunited. Blood tests prove, with 99.95 percent accuracy, that a child comes from a particular family. This is a difficult process, for which the professionals and volunteers involved must be commended.

The Grandmothers of Plaza de Mayo have committed themselves to this praiseworthy endeavor. I am grateful for all they have accomplished, and I urge my colleagues to join me in commending them for their outstanding efforts and devotion to the cause of bringing justice to the families who suffered under Argentina's brutal military regime.

MEDICARE, MEDICAID, AND SCHIP  
BALANCED BUDGET REFINE-  
MENT ACT OF 1999

SPEECH OF

**HON. ROGER F. WICKER**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. WICKER. Mr. Speaker, the Balanced Budget Act included provisions to safeguard the long term solvency of the Medicare system, but for a number of reasons the mandated reductions exceeded estimates and provided a lower level of reimbursement than

Congress directed. The Medicare Balanced Budget Refinement Act corrects this problem and restores vital funding to the Medicare program to allow health care providers to meet the needs of their communities.

This important legislation will ease the financial crisis which has threatened the quality of health care service for millions of Americans. I am pleased we have been able to work in a bipartisan fashion to bring relief to the small rural community hospitals which provides the foundation for rural America.

I am hopeful that in addition to the supporting this legislation, the Health Care Financing Administration will make the needed administrative changes to ensure that small rural hospitals will receive adequate Medicare reimbursement. I look forward to working with HCFA and member of both political parties to restore balance to the Medicare system.

#### THE ARTISTS' CONTRIBUTION TO AMERICAN HERITAGE ACT

#### HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. HOUGHTON. Mr. Speaker, I am pleased to join my colleague from Maryland, Mr. CARDIN, together with a bipartisan group of our colleagues, in introducing the "Artists' Contribution to American Heritage Act of 1999." The bill would alleviate an unfairness in the tax law as it applies to charitable donations of property by the taxpayer/creator and significantly enhance the ability of museums and public libraries to acquire important original works by artists, writers and composers, and ensure the preservation of these works for future generations.

Since 1969, the law has provided that the creator of the artistic property is only allowed a charitable deduction equal to the cost of the materials that went into the property. For example, an established artist who donates a painting to the local museum is allowed a deduction for the cost of the canvas, brushes and paint, etc., used to produce the painting. Of course, these amounts are de minimis. There is no real tax incentive to contribute such works of art for the public to enjoy. In fact, the tax law works in the other direction. It makes more financial sense to the creator to sell his or her work. If a collector or art buff buys a painting that appreciates over time, because the artist becomes well-established or was a known and collected artist when the painting was purchased, the collector is allowed a deduction for fair market value when the painting is contributed to the local museum. This is the fairness issue.

There has not always been such disparate tax treatment. Before 1969, the artists/taxpayers received the same treatment—the deduction was based on fair market value. The law was changed, primarily because of the perception that some taxpayers were taking advantage of the law through less than accurate valuations of their charitable gifts.

After the change in 1969, gifts of donor generated art work (paintings, manuscripts, compositions, artistic and historically significant correspondence and papers) to qualifying charitable organizations and governmental entities dropped significantly. Creators were

more likely to sell their works than to contribute them. Tom Downey, a former colleague of ours, introduced similar legislation in 1985. In his floor statement he noted that Igor Stravinsky had planned to donate his papers to the Music Division of the Library of Congress the month the 1969 tax change was signed into law. Instead, the papers were sold to a private foundation in Switzerland. Now, 14 years later the situation has not improved. It is time to change our law to encourage rather than discourage such contributions.

There have been significant changes in the valuation process since 1969. All taxpayers making charitable contributions of art work (other than donor generated art work) are required to: (a) provide and/or retain relevant information as to the value of the gift, (b) provide appraisals by qualified appraisers or, in some cases, (c) subject them to review by the IRS's Art Advisory Panel, depending on the dollar amount of the contribution. These changes would apply to creator-donated property under our proposal.

In addition to the valuation safeguards already in the law, our proposal would add additional protections to prevent abuse. These include the following: (a) limiting the value of the deduction to the amount of income the creator received from similar property, (b) providing that the deduction can only be claimed in the year of contribution, i.e., the carryover rules do not apply, (c) limiting the deduction to property created at least 18 months before the contribution, (d) limiting the deduction to gifts related to the purpose of the institution which receives it, and (e) excluding contributions of property (letters, memos, etc.) created by taxpayers in their role as employees or officers of an organization.

The benefit to the nation when artists are encouraged to contribute their work during their lifetime cannot be overemphasized. It allows the public, historians, scholars and others to learn from the artist his/hers aesthetic aims for the work; how it was intended to be displayed, performed, or interpreted; and what influences affected the artist.

Our proposal represents an important step in providing some tax incentive, with needed safeguards, for the creators and moves toward putting them on the same footing as collectors who contribute similar property. Most importantly, it could make the difference in a decision by the creator/donor to contribute some of their created art works to a museum or public library, rather than sell them in the marketplace. That way important works are preserved in the public domain and we all benefit. We urge our colleagues to join us in cosponsoring this legislation.

#### A TRIBUTE TO JIM COX FOR 30 YEARS AS CITY MANAGER OF VICTORVILLE, CALIFORNIA

#### HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. LEWIS of California. Mr. Speaker, I would like today to recognize the remarkable career of Jim Cox, who came to Victorville, California in 1967 as an administrative assistant, became city manager in 1969 and guided the city in that position for 30 years until his recent retirement.

Jim Cox began his public service—and his time in California—when he joined the Navy at 17 and moved to San Diego to be a medic. He first joined city government as an intern in La Mesa, California, while attending San Diego State College. After serving as assistant city manager of Indio for two years, he went to work in the Mojave Desert hub of Victorville—population 11,290.

He quickly took on increasing responsibility, going from administrative assistant in charge of finance and personnel, to Director of Planning, Assistant City Manager, and finally City Manager in December 1969.

The city budget that year was \$750,000. His final budget, submitted this year, was for \$72 million, for a city with a population of 63,478.

As one of the longest-serving managers in California, Jim Cox provided a stabilizing influence not only for his rapidly growing city, but also for the entire Victor Valley, whose population has grown ten-fold in the past 30 years. He was instrumental in helping the region weather the closure of George Air Force Base in 1988, and its economic revival over the past 10 years.

Adding to his extensive public service credentials, Cox is a California Redevelopment Association director and on the Revenue and Taxation Committee for the League of California Cities. He is chairman for the Victor Valley Transit Board of Directors and served on the County Formation Review Committee.

He is an instructor with a lifetime teaching credential at California State University, San Bernardino and at Victor Valley Community College. His community activities include the Victorville Chamber of Commerce Board of Directors and Rotary International.

Mr. Speaker, Jim Cox has been justifiably credited with helping Victorville and the Victor Valley grow from a desert hamlet to a vital, successful city in one of the fastest-growing areas of California. Please join me in congratulating him on his years of public service, and wishing him well in his future endeavors.

#### REPUBLICANS BLOCK DEMOCRATS FROM OFFERING MAJOR IM- PROVEMENTS TO MEDICARE

#### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. STARK. Mr. Speaker, last Friday, the House passed an okay Medicare improvements bill.

But it could have been much better; it could have helped seniors get a better price for pharmaceuticals; it could have helped low-income women fight cancer; it could have provided more help to providers hurt by excessive cuts in the 1997 Balanced Budget Act. But Republicans blocked any amendments to the bill—they did not want to be embarrassed by having to vote against helping seniors with the high costs of drugs.

Following is a letter which 119 Democrats (many more would have signed if we had had more time) sent to the Speaker, outlining our request for amendments to H.R. 3075.

Mr. Speaker, the majority should be ashamed for a legislative gag rule that prevented us from improving this legislation.



CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, November 4, 1999.

Hon. DENNIS HASTERT,  
Speaker of the U.S. House of Representatives,  
The Capital, Washington, DC.

DEAR MR. SPEAKER: We are writing to ask that you not bring the Medicare Balanced Budget Act legislation (HR 3075 as amended in negotiations with Commerce Committee Republicans) to the floor under suspension of the rules, but instead provide a rule permitting Democratic amendments and a motion to recommit. Because Democrats were not included in the negotiations between the Ways and Means and Commerce Committee Republican members, it is particularly important that we be offered the opportunity for floor amendments.

While the Republican bills that have been introduced provide a great deal of needed relief, we believe that (1) some additional relief to providers, (2) some beneficiary improvements (in particular help with the high cost of pharmaceuticals), and (3) some alternative policies are desperately needed.

The amendments we propose would provide an additional \$2.4 billion in paid-for relief, with some going to beneficiaries in lower pharmaceutical prices and other program improvements. Our amendments would also eliminate several policies in the Republican bill which the Administration has identified as unworkable or which would hurt Medicare beneficiaries.

As fiscally responsible Democrats, we are concerned that the Republican bill is not paid for, and we urge you to find a way to pay for it, rather than further spending Social Security surpluses. For example, because it is not currently paid for, the Ways and Means bill (HR 3075) shortens the solvency of the Medicare Part A Trust Fund by at least a year, and increases Part B premiums for seniors.

Therefore, to avoid this problem, we pay for the additional relief offered by our amendments. Thus we do not hurt Medicare's solvency. The \$2.4 billion in relief over five years is paid for by \$2.4 billion in Medicare savings from the President's budget proposal of last January. These savings come from Medicare anti-fraud, waste, and abuse proposals.

#### PROVIDING NEEDED ADDITIONAL RELIEF

The \$2.4 billion provides important, much needed additional relief to

—beneficiaries to meet the cost of fighting cancer and the high costs of pharmaceutical insurance<sup>1</sup>

—teaching hospitals,  
—safety net hospitals, which have the lowest overall operating margins,  
—rural hospitals, which have the lowest Medicare margins,  
—skilled nursing homes,  
—home health agencies which are serving the sickest patients,  
—a more rational rehabilitation cap program that will help our most severely disabled stroke patients and amputees,  
—help for hospice agencies facing skyrocketing pharmaceutical costs for end-of-life painkillers, and

—the Medicaid and Children's Health Insurance Program, to help the providers serving the low income and to help Puerto Rico and the Possessions with more adequate payment rates.

This additional relief will further ensure that Medicare beneficiaries are buffered from

the cuts in the 1997 BBA and will allow Medicare beneficiaries to continue to receive high quality care.

The attached memo describes these amendments in more detail.

#### HELP SENIORS WITH THE HIGH COST OF PHARMACEUTICALS

We believe we need to help all Medicare beneficiaries with a prescription drug insurance benefit, but that is a larger issue that cannot be addressed in this limited BBA corrections legislation. We hope, Mr. Speaker, that you will make this a priority issue for the Second Session of this Congress.

In the meantime, we do believe that this bill gives us the one opportunity this year to help seniors with the exorbitant cost of prescription drugs. We propose an amendment which was offered in the Ways and Means Committee by Rep. Karen Thurman (and supported by all the Democratic members of the Committee) that makes the Allen-Turner-Waxman-Berry pharmaceutical discount bill (HR 664) germane to Medicare. Basically, the amendment says that if a drug manufacturer wants to sell pharmaceuticals to a hospital participating in Medicare, it must also make available to pharmacies for sale to seniors drugs at the best available price for which they offer that drug. By some estimates, this type of program could lower drug costs to seniors by as much as 40%.

If we can't pass a major Medicare drug reform bill this fall, we can at least give seniors a chance for the discounts available to large buyers.

#### PREVENTING BAD POLICIES

If the Majority bill includes certain provisions, we ask that the rule governing debate permits us to strike those anti-beneficiary and anti-consumer provisions:

Specifically, we are concerned that the Administration has warned that the hospital out-patient department (HOPD) provisions of the Ways and Means bill are so complicated that they will delay the start of HOPD Prospective Payment (PPS) by at least a year. Such a delay in the PPS will cost beneficiaries about \$1.4 billion, with patients' share of total HOPD payments running about 50%. We would move to strike the House HOPD provisions in favor of the Senate's more administrable proposals, but keep the amount of relief to hospitals and patients at the House level.

Second, if the Majority bill includes the 'Commerce Republicans' provision giving "deemed status" to HMOs, we would strike that provision. An overwhelming number of House members have just voted in favor of higher quality in managed care plans. Therefore, we find it incredible that the majority may be proposing an amendment to the BBA which would weaken our ability to ensure quality by turning over approval of these plans to participate in Medicare to private groups which are often dominated by the very industry they are supposed to be regulating. If such 'deemed status' language is included, we will seek to strike it in order to protect beneficiaries.

Third, as mentioned above, we propose to strike the unworkable \$1500 limit on rehabilitation caps for two years while the Secretary develops a rational therapy payment plan. This is the same approach as taken by the Senate Finance Committee.

In conclusion, our beneficiaries and providers need the improvements made by the Democratic amendment. We urge you to make it in order. Thank you for your consideration.

Sincerely,

Neil Abercrombie, Gary Ackerman, Tom Allen, Robert Andrews, Tammy Baldwin, Tom Barrett, Jim Barcia, Xavier Becerra, Shelly Berkley, Howard Berman, Marion

Berry, Bob Borski, Rick Boucher, Corrine Brown, Sherrod Brown, Lois Capps, Michael Capuano, John Conyers, Ben Cardin, Julia Carson, Bob Clement, Bill Coyne, Elijah Cummings, Danny Davis, Jim DeGette.

Peter DeFazio, Diane DeGette, Rosa DeLauro, Peter Deutsch, John D. Dingell, Julian Dixon, Lloyd Doggett, Eliot Engel, Anna G. Eshoo, Lane Evans, Eni Faleomavaega, Sam Farr, Michael Forbes, Bart Gordon, Gene Greene, Ralph Hall, Earl Hilliard, Maurice Hinchey, Darlene Hooley, Steny Hoyer, Paul Kanjorski, Carolyn Kilpatrick, Ron Klink, Dennis J. Kucinich, John LaFalce, Tom Lantos.

Barbara Lee, Sandy Levin, John Lewis, Nita M. Lowey, Bill Luther, Karen McCarthy, Jim McDermott, Jim McGovern, Mike McNulty, Carolyn B. Maloney, Jim Maloney, Ed Markey, Matthew Martinez, Robert T. Matsui, Carrie Meek, Robert Menendez, George Miller, Joe Moakley, Jerry Nadler, Richard Neal, Eleanor Holmes Norton, Jim Oberstar, John Olver, Major Owens.

Frank Pallone, Donald Payne, Nancy Pelosi, David Phelps, Earl Pomeroy, Nick Rahall, Charles Rangel, Lynn Rivers, Ciro Rodriguez, Carols Romero-Barcello, Lucille Roybal-Allard, Bobby Rush, Martin Sabo, Bernie Sanders, Tom Sawyer, Jan Schakowsky, Louise Slaughter, Vic Snyder.

Debbie Stabenow, Peter Stark, Ted Strickland, Bart Stupak, Ellen Tauscher.

Mike Thompson, Karen Thurman, John Tierney, Edolphus Towns, Jim Traficant, Peter Visclosky, Maxine Waters, Melvin Watt, Henry Waxman, Robert Wexler, Robert Weygand, Bob Wise, Lynn Woolsey, Al Wynn.

#### Issue Area:

In addition to HR 3075, a \$2.4 billion paid-for package [dollars expressed as additions to costs in HR 3075]

#### Hospitals:

Freeze indirect medical education cut for 1 year more than HR 3075 (\$0.2); Freeze disproportionate share hospital cuts for 1 year more than HR 3075 (\$0); Carve out DSH payments from payments to M+C plans. Moves about \$1 billion per year to the nation's safety net hospitals; is not in HR 3075 (\$0).

#### Rural hospitals:

Tanner Amendment to protect rural and cancer hospitals against outpatient department PPS cuts (HR 3075 phases in cuts to these hospitals, still leaving huge payment reductions) (\$0.2).

#### \$1500 therapy caps:

Strike HR 3075 limits by suspending caps for 2 years while a new, more rational system is developed (net \$0).

#### Community health centers & rural CHCs:

Establish a PPS system which protects CHCs against State Medicaid cuts (\$0.2).

#### Nursing homes:

Raise HR 3075's payment to high acuity cases from 10% to 30% (\$0.1); Raise HR 3075's nursing home inflation adjustment from 0.8% in FY01 to 1% (\$0.1) and authorize extra payments for hi cost of living in Hawaii and Alaska.

#### Physicians:

Study of why payment rates in certain States and Puerto Rico are low.

#### Home health:

Provide \$250 million "outlier" pool for home health agencies that treat tough cases (\$0.3) HR 1917, by Rep. Jim McGovern and 102 cosponsors.

#### Hospice:

Eliminate 1% cut in FY 01 and 02 (\$0.2).

#### Medicaid:

Help for Medicaid DSH formula errors in NM, DC, MN, and WY (\$0.2) Permanent fix for CA Medicaid DSH problem \$0; Help families not lose Medicaid coverage as a

<sup>1</sup>We assume that the bill the Majority brings to the floor will include an expansion of Medicare's coverage of immuno-suppressive drugs, so that transplant patients do not suffer organ rejection. If this provision is not included, we ask permission to include it and pay for it with additional anti-fraud and abuse provisions.

result of delinking of welfare and Medicaid eligibility (\$0.2).

#### CHIPS:

Increase CHIPS amount for Possessions and provide technical fix to CHIPS formula (\$0.1).

#### Beneficiary improvements:

Immuno-suppressive drugs, cover without a time limit (\$0.3); Allow States to require M+C plans to cover certain benefits (like MA used to do with Rx (\$0); Allow people abandoned by M+C plans to buy a medi-gap policy which covers Rx (\$0); Coverage of cancer treatment for low-income women (\$0.3) HR 1070, by Rep Eshoo and Lazio and 271 cosponsors.

#### Pay-fors:

3 Medicare items from President's budget: mental health partial hospitalization reform, Medicare Secondary Payer data match, and pay for outpatient drugs at 83% of average wholesale price. (\$2.4).

CONGRATULATING JOSEPH MOFFETT ON HIS BEING SELECTED TO COMPETE IN THE NATIONAL BIRDING COMPETITION

**HON. RICHARD E. NEAL**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. NEAL of Massachusetts. Mr. Speaker, I rise today to congratulate Joseph Moffett for being selected to the ABA/Leica Tropicbirds Team of 1999. Joseph, along with three other youths, has been chosen to compete in The Florida Space Coast Flyway Festival birdathon. This is a national birding competition which will be held on November 13, 1999.

Joseph, who is fifteen years old, lives in Mendon, Massachusetts and is a member of the ABA and the Massachusetts Audubon Society. Joe is also a member of many other birding clubs including; the Brookline Bird Club, the Forbush Bird Club, and the Stony Brook Bird Club. Joe works at the Stony Brook Audubon Sanctuary as a volunteer naturalist and a counselor in training. Joe also takes part in the Christmas Bird Count and Massachusetts Audubon Birdathon fund-raiser. Joe keeps lists of the birds he sees on various birding outings and submits them to the Bird Observer, a birding journal.

In addition to Joe's birding skills, he is also a proponent of environmental protection. Joe has started a rainforest club in his school and has raised money to save acreage of a rainforest. Most of the birding events that Joe participates in are also fund-raisers, which raise money for the protection of new bird species that are found during the events and for the protection of birds in general.

Mr. Speaker, it is my great pleasure to congratulate Joseph Moffett on his accomplishments and commend him for being a model citizen and a great influence to his community.

#### CONFERENCE REPORT ON S. 900, GRAMM-LEACH-BLILEY ACT

SPEECH OF

**HON. BARBARA LEE**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1999*

Ms. LEE. Madam Speaker, I rise to express my concern as well as that of my constituents regarding the Senate version, the Gramm version, of the Financial Services Modernization Act.

The initial report by the media that the conference report met the expectations of consumer advocates raised hopes that the Senate would meet the House's commitment to two major aspects of this critically important bill: the Community Reinvestment Act provisions and the necessary protection of the privacy of consumer, customer information, and records. I continue to want to vote for a Financial Services Modernization bill.

I want to address the importance of the Community Reinvestment Act which is also known as CRA. This act was passed almost 30 years ago to say that banks should also lend to low-income customers and neighborhoods in their areas of operation. In the 23 years of bank practices to meet CRA provisions, an impressive \$1 trillion has been generated as loans to low-income customers; the clear majority of banks recognize the value of CRA as a powerful tool to build community trust and respect for the otherwise cold marble and steel of stone-hearted bankers.

Let me share a success story of CRA in my community, affecting my constituents in Oakland and adjoining cities. The success story is about an old, crumbling, and once-beloved vegetable and meat market known as Swan's Marketplace.

In the last two decades, as residents and businesses flowed out of downtown, Swan's found it more and more difficult to survive. It finally had to close. Stories were written about its demise. It took years, but the city government and the people of Oakland and community agencies knowledgeable about CRA, our community heroes, the very same people that Senator GRAMM so recklessly labels as "extortionists," pulled together, in a magnificent civil effort to create a wonderful center combining almost every aspect of community development into one square city block. The heroes and sheroes who put this together say: "We have a market, affordable housing, services to special populations and community revitalization. On top of that, we've included use of the arts for economic development and restored and preserved a city historic landmark."

I hardly have to add that the housing is a wonderful plus in an area with severe housing shortages, and that jobs have been created, and that an essential community success has added to the revitalization of a declining downtown not only during the day but also at night.

Swan's was complex from a banking perspective. "There's nothing commonplace about it" said a representative from a large local bank that provided a \$7.8 million construction loan. CRA had encouraged banks to look at financing difficult projects that benefit communities. Before CRA, banks may have dismissed the project as too difficult, but CRA has provided the needed motivation which has prompted banks to successfully invest in communities.

The story of CRA's important role in the reformation of Swan's Marketplace is not a rare occurrence. Community after community have called on members of the Banking Committee and the Commerce Committee to protect, and to include the CRA provisions in any banking modernization bill. I have worked since I joined Congress over a year ago, to include the basic elements of CRA in H.R. 10.

The House-passed version of the Financial Modernization bill, to my mind, had fairly weak CRA provisions by excluding securities and insurance functions. But the Gramm version weakens these protections even further by requiring banks to report every 5 years.

Senator GRAMM added a wickedly ironical provision that he describes as a "sunshine" regulation. In California sunshine provisions protect citizens by requiring that the legislative bodies act with proper and timely notice being given to the public on time of meeting and publication of issues to be discussed.

This sunshine provision in Senator GRAMM's bill is a terrible perversion of that protection. This provision mandates that community organizations working with banks to produce more affordable housing have to report on their functions, and their contracts. These reporting requirements are not made of financial institutions, only community organizations. Instead of treating these groups as heroes for their life-saving, community-saving work, they must report like criminals.

Presently, banks have to meet a satisfactory rating, and then maintain it in order to be favorable considered for expansion or mergers. S. 900 allows these banks to meet the "satisfactory" standard only once and frees them from further obligation to maintain it. Do it once and you are free of obligations thereafter. This is a terrible travesty of present CRA practices.

The other major weakness in S. 900 has to do with the easy access to customer's private information that is available. Presently, each one of the three functions: banking, insurance, and securities, cannot share their customers' information with each other. With the passage of S. 900 the walls are down.

Insurance companies have records on a customer's health. This record will now be available to the bank, or the insurance company that can now offer banking services, when you apply for a loan. Is this information that should be so easily available. Is this what our constituents would allow? I don't think so.

However, should customers want to know how the bank, or the insurance company, or the securities sales office is handling their account and ask for a record, and possibly make the necessary corrections, they will not be able to do so. We are considering legislation that could really produce nightmare situations for our constituents.

S. 900 only asks that banks report their plan to protect privacy without any obligation to any one, or any institution to implement it, to modify it, or to improve it. This is a hollow requirement, devoid of substance.

These are two of the major flaws of S. 900. But I have to raise the objections that I raised in the Banking Committee about the consequences of financial services modernization without appropriate safeguards.

S. 900 will allow for further mergers and conglomeratization. It will once again expose us to the congressional, national liability for the \$500 billion bailout of the savings and loan industry of the 1980's.



The conglomerates will be too big to regulate and too big to fail and the taxpayer will be stuck with the consequences.

Additionally, along with my colleagues, Representatives WATERS, FRANKS, SANDERS, JONES of Ohio, and SCHAKOWSKY, we have tried to introduce the most basic of consumer protections as we give the financial services what they want. We have tried to protect fair housing by prohibiting insurance companies from discriminating, and we have tried to establish limited basic banking accounts for low-income customers, but without success.

This financial modernization bill, S. 900, or H.R. 10, is the product of 20 years of effort. It saddens me to see 20 years of work dissolve into this miserable bill. I ask my colleagues to vote against it.

#### GROUNDBREAKING OF THE AUSCHWITZ JEWISH CENTER

**HON. TOM LANTOS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. LANTOS. Mr. Speaker, today I invite my colleagues to join me in commemorating the official ground-breaking for the Auschwitz Jewish Center a tribute to the Jews who perished in this century's most senseless tragedy. The Center, located in the last remaining synagogue in the town of Oswiecim (the Polish name for Auschwitz), will offer visitors to the site of the Auschwitz-Birkenau death camp an opportunity for reflection, education, and understanding of the enormous loss inflicted by the Holocaust.

The groundbreaking for the Auschwitz Jewish Center takes place on the eve of the sixty-first anniversary of Kristallnacht ("The Night of Broken Glass"), the 1938 Nazi pogrom that foreshadowed the Holocaust and marked the beginning of the Nazi effort to exterminate the Jews. Ninety-one German and Austrian Jews were murdered during Kristallnacht, and 26,000 more were arrested and deported to concentration camps. Nazi thugs set fire to 101 synagogues and destroyed almost 7,500 Jewish-owned businesses. This evening of terror and brutality marked the beginning of the end of German Jewry. Kristallnacht, which was orchestrated by Nazi Propaganda Minister Joseph Goebbels, was an attempt permanently to wreck the cultural and civic infrastructure of the Jewish people in the hope that Jews would never again find comfort in Germany.

Mr. Speaker, the anniversary of Kristallnacht reminds us yet again why the establishment of the Auschwitz Jewish Center holds such great significance. The Center will offer visitors seminar rooms, a library, a memorial wall to victims of the Holocaust, genealogy records, and a screening room for viewing testimonials from Holocaust survivors which will be made available through an agreement with Steven Spielberg's Shoah Foundation. It will allow guests to learn about Oswiecim's rich Jewish history, which dates back to medieval times, and it will permit them to ponder over the destruction of this community and thousands like it across Europe. Most of all, the Center will offer Jews and non-Jews alike the opportunity to mourn and remember.

I urge my colleagues to join me in praising the accomplishments of the Auschwitz Jewish

Center Foundation, Inc., a New York based tax-exempt organization created in 1995 to support the Center's creation, and its founder and president, noted philanthropist Fred Schwartz. Mr. Schwartz and his lovely wife, Allyne, visited Auschwitz in 1993 and shortly after began the process of creating an institution that would help to "attach human characteristics to the people who perished there." Fred set up the Auschwitz Jewish Center Foundation and, aided by the devoted efforts of executive director/vice president Daniel Eisenstadt and a wealth of other talented individuals, and the Center has contributed immeasurably to the memory of the victims of Auschwitz and the Holocaust.

Mr. Speaker, Fred and Allyne Schwartz and all of their associates involved in the establishment of the Auschwitz Jewish Center merit the appreciation of every Member of the House. As a Holocaust survivor, I am grateful to them for paying tribute to the most horrendous legacy of the twentieth century. As a grandfather, I am even more indebted to them for keeping this memory alive for the twenty-first century and beyond.

#### MEDICARE, MEDICAID, AND SCHIP BALANCED BUDGET REFINEMENT ACT OF 1999

SPEECH OF

**HON. BILL ARCHER**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. ARCHER. Mr. Speaker, I would like to submit for the RECORD the attached letters which I and the Chairman of the Committee on Commerce have exchanged regarding H.R. 3075, the Medicare Balanced Budget Refinement Act of 1999.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON WAYS AND MEANS,  
*Washington, DC, November 5, 1999.*

Hon. THOMAS J. BLILEY, Jr.  
*Chairman, House Committee on Commerce,  
Washington, DC.*

DEAR CHAIRMAN BLILEY: This is in response to your letter regarding further consideration of H.R. 3075, the Medicare Balanced Budget Refinement Act of 1999.

I understand that, in order to expedite consideration of this legislation, the Committee on Commerce will not be marking up the bill. The Commerce Committee will take this action based on the understanding that it will be treated without prejudice as to its jurisdictional prerogatives on this measure or any other similar legislation. Further, I have no objection to your request for conferees with respect to matters in the Commerce Committee's jurisdiction if a House-Senate conference is convened on this or similar legislation.

Finally, I will seek to include in the Record a copy of our exchange of letters on this matter. Thank you for your assistance and cooperation in this matter.

With best personal regards,  
Sincerely,

BILL ARCHER,  
*Chairman.*

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON COMMERCE,  
*Washington, DC, November 5, 1999.*

Hon. BILL ARCHER,  
*Chairman, Committee on Ways and Means,  
Washington, DC.*

DEAR BILL: I am writing regarding H.R. 3075, the Medicare Balanced Budget Refinement Act of 1999. As you know, the Committee on Commerce is an additional committee of jurisdiction for the bill, and I understand that the version of the bill that will be considered under the suspension calendar will contain a number of Medicaid provisions which fall within my Committee's exclusive jurisdiction.

However, in light of your willingness to work with me on those provisions within the Commerce Committee's jurisdiction, I will not exercise the Committee on Commerce's right to act on the legislation. By agreeing to waive its consideration of the bill, however, the Commerce Committee does not waive its jurisdiction over H.R. 3075. In addition, the Commerce Committee reserves its authority to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this legislation or similar legislation. I ask that you support our request in this regard.

I ask that you include a copy of this letter and your response in the Record during consideration of the bill on the House floor. Thank you for your consideration and assistance. I remain,

Sincerely,

TOM BLILEY,  
*Chairman.*

#### MARCIA M. STEWART: HAPPY TRAILS

**HON. DON YOUNG**

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. YOUNG of Alaska. Mr. Speaker, it is with deep regret that the Committee on Resources bids farewell to Marcia Stewart, Legislative Assistant to the Chief Counsel of the Committee. Marcia has been not only the right hand of the Chief Council's office, but often the heart, head and both feet.

Marcia Stewart is one of those staffers often seen but seldom heard. Her job was not a glamorous one, but one which was integral to the efficient and effective operation of the Committee on Resources. With her help, the Resources Committee has been one of the most productive in the House and she had a hand in every bill we moved (and we have moved hundreds so far). Her presence in markups, in hearings and on the Floor ensured that all would go well. In fact, her very first time staffing a bill on the Floor, the vote was unanimous, probably because no one could bear to disappoint her.

Marcia came to the Committee from the former Committee on Merchant Marine and Fisheries, where she served as a staff assistant. Even then, her extraordinary skills were apparent, and she was a clear choice for the demanding duties of the Chief Counsel's office when I became Chairman of the Resources Committee in the 104th Congress. Her expertise and organizational skills have kept our legislative and oversight trains running on time. That is why I am not surprised that

Marcia Stewart is known as the "Martha Stewart of legislation." Not bad for a woman who was a toddler when I began my career in Congress.

Marcia and her two-year-old daughter, Abigail, will be joining Marcia's husband Tim Stewart in Salt Lake City, where they will be giving up the white columns of the Capitol for the wide open spaces of the West. All I can say is Congressman JIM HANSEN district's gain is our loss.

We will miss you, Marcia Stewart, and wish you and your family a wonderful life in Utah. I thank you for your service to me, to the Committee on Resources, to the Congress and to America.

#### CONFERENCE REPORT ON S. 900, GRAMM-LEACH-BLILEY ACT

SPEECH OF

**HON. JOHN D. DINGELL**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1999*

Mr. DINGELL. Madam Speaker, to paraphrase the words Charles Dickens penned in 1859, this is the best of bills; this is the worst of bills. It is an act of wisdom; it is an act of foolishness. It wisely recognizes the technological and regulatory changes that have blurred the lines between industries and products, and builds a new regulatory structure to house and foster competition and innovation. However, it unwisely fails to recognize that, for all that has changed dramatically, human nature has not. Prodigious failures and frauds are no less possible, indeed, perhaps are even more likely today. Yet S. 900 provides inadequate protections for taxpayers, depositors, investors, and consumers.

Now, I can tell that some of my colleagues are bracing themselves for a speech about the Crash of 1929 and the Great Depression that followed it. I am not giving that speech today. I am not opposing S. 900 because I am stuck in the past. I am opposing S. 900 because it's a bad bill today and for the future. About the past, I will only observe that he who does not learn from it, is doomed to repeat it. This bill bears dangerous seeds.

First, S. 900 facilitates affiliations between banks, brokerages, and insurance companies, creating institutions that are "too big to fail." However, it does not reform deposit insurance or antitrust implementation and enforcement. The bill's supporters tout all the benefits to consumers, but woe to the American people when they have to pick up the tab for one of these failures or when competition disappears and prices shoot up.

It also authorizes banks' direct operating subsidiaries to engage in risky new principal activities like securities underwriting and, in five years, merchant banking with Treasury and Federal Reserve approval. The flimsy limitations and firewalls will not hold back contagion and underscore the foolishness in not reforming deposit insurance, and thus the threat to taxpayers and depositors.

Second, the privacy provisions in S. 900 are a sham. The bill gives financial institutions new access to our personal financial and other information for purposes of cross-marketing and profiteering. Under S. 900, a customer cannot opt out of information sharing if his fi-

nancial institution enters a "joint marketing agreement" with unaffiliated third parties. This loophole makes the privacy protections about as effective as a lace doily would be in holding back a flood.

Third, this bill undermines the Community Reinvestment Act. Many of my colleagues will speak to this point more eloquently than I, and I associate myself with their remarks. At the appropriate point, I will include National Community Reinvestment Coalition's letter in the RECORD.

Fourth, it undermines the separation of banking and commerce. Title IV closes the unitary thrift loophole by barring future ownership of thrifts by commercial concerns. But about 800 firms that are grandfathered can engage in any commercial activity, even if they were not so engaged on the grandfather date. Moreover, title I allows the new financial holding companies (which incorporate commercial banks) to engage in any "complementary" activities to financial activities determined by the Federal Reserve. And in a piece of circular mischief, any S&L holding company, whether or not grandfathered, can engage in any activities determined to be "complementary" for financial holding companies. Title I of S. 900 also waters down the prudential limitations that the House had imposed on merchant banking. S. 900 clearly ignores the warning of then Treasury Secretary Rubin to Congress in May of this year: "We have serious concerns about mixing banking and commercial activities under any circumstances, and these concerns are heightened as we reflect on the financial crisis that has affected so many countries around the world over the past two years."

Fifth, the conference agreement would let banks evaluate and process health and other insurance claims without having to comply with state consumer protections. This means that banks, of all people, will make important medical benefit decisions that patients and doctors should make. According to the National Association of Insurance Commissioners, S. 900 could prevent up to 1,781 state insurance consumer protection laws and regulations from being applied to banks that conduct insurance activities. State laws could be preempted that require consumers to be paid claims they are due and that protect consumers against predatory practices of banks that sell credit insurance. S. 900 also preempts state consumer privacy laws restricting the dissemination of medical and other personal information by a bank engaged in insurance activities. The conference committee rejected an amendment that I offered to address these serious shortcomings.

Sixth, S. 900 contains provisions (subtitle B of title III) on the redomestication of mutual insurers that are opposed by the National Conference of State Legislatures and the National Conference of State Legislatures and the National Conference of Insurance Legislators. They contend that this legislation is anti-consumer and not in the public interest in that it would preempt the anti-mutualization laws in 30 states and places as many as 35 million policyholders, many of our constituents, at risk of losing \$94.7 billion in equity. Their letter also follows my statement.

Finally, our capital markets are the envy of the world and their success rests on the high level of public confidence in their integrity, fairness, transparency, and liquidity. While S. 900

pays lip service to the functional regulation of securities by the SEC, it, in fact, creates too many loopholes in securities regulation—too many products are carved out, and too many activities are exempted—thus preventing the SEC from effectively monitoring and protecting U.S. markets and investors. In a final indignity, the effective date of the securities title was extended mysteriously to 18 months from the one year approved by the conference committee. So, the title I Glass-Steagall repeal is effective 120 days after date of enactment, the insurance provisions are effective on date of enactment, the pitiful privacy provisions are effective six months after the date of enactment, but the banks do not have to comply with the federal securities laws until 18 months or a year and a half after the date of enactment. This makes absolutely no sense whatsoever, but, considering all the other problems with this bill, is par for the course.

I support modernization of our financial laws. I support competition and innovation. I do not believe either should be accomplished at the expense of taxpayers, depositors, investors, consumers, and our communities.

S. 900 is a bad bill for the reasons I have outlined. I therefore refused to sign the conference report and I will vote "no" on passage.

#### CONFERENCE REPORT ON S. 900, GRAMM-LEACH-BLILEY ACT

SPEECH OF

**HON. CAROLYN C. KILPATRICK**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1999*

Ms. KILPATRICK. Madam Speaker, I rise today in support of S. 900, the Financial Services Modernization Act. This conference report is the culmination of years of efforts on the part of Congress, several Administrations, and federal financial regulators to create a rational and balanced structure to sustain the continued global leadership of our nation's financial service sector. This is not a perfect bill. I would like for the Community Reinvestment Act (CRA) provisions and the privacy provisions of the bill to be strengthened, but I understand the political process involves compromise, and this legislation represents just that. As a former member of the Banking Committee, I know that the agreement reached by the members of the Conference Committee and the Administration is built on the consensus that exists among the banking, securities and insurance firms regarding the need for this legislation. This act will benefit consumers, businesses and the economy by finally reforming our antiquated banking and finance laws. Consumers and businesses will benefit from a wider array of products and services offered in a more competitive marketplace that result directly from enactment of this law.

The Act will permit the creation of new financial holding companies, which can offer banking, insurance, securities and other financial products. These new structures will allow American financial firms to take advantage of greater operating efficiencies. For financial institutions, increased efficiency will mean increased competitiveness in the global marketplace. For consumers, increased competition will mean greater choice, more innovative

services, and lower prices for financial products. For the economy, this will mean better access to capital to spur growth.

Since the beginning of my service in the United States Congress, I have been committed to the vitality of the Community Reinvestment Act (CRA). I am encouraged that this Act, for the first time, will apply CRA to banks and their holding companies as they expand into newly authorized non-banking activities. Until now, the law has permitted banking organizations to make very large acquisitions of securities firms and to engage in other non-bank activities without any CRA performance requirements at all. Under this bill, no banking organization can become involved in these new activities if any of its insured depository affiliates has a less than satisfactory CRA rating. This is a flat prohibition, and I believe a move in the right direction toward the expansion of CRA from current law. Like many of my colleagues, I stringently support the expansion of CRA. However, as a veteran legislator, I recognize that the legislative process, by definition, produces compromises by all parties. I believe that the CRA provisions in S. 900 are a good compromise toward ensuring that the modernization of our financial system works for all Americans.

For the first time, financial institutions must clearly state their privacy policies to customers up front, allowing customers to make informed choices about privacy protection. The Act will require financial institutions to notify customers when they intend to share financial information with third parties, and to allow customers to "opt-out" of any such information sharing. Under existing law, information on everything from account balances to credit card transactions can be shared by a financial institution without a customer's knowledge. This can include selling information to non-bank firms such as telemarketers. This Act provides the most extensive safeguards yet enacted to protect the privacy of consumer financial information. The Act also provides other important consumer protections, including mandatory disclosures and prohibitions on coercive sales practices, protection of a wide variety of state consumer protection laws governing insurance sales, strengthening protections when banks sell securities products, and making full disclosures of fees at ATM machines.

Madam Speaker, this Act is a step forward in improving our nation's financial service system for the benefit of consumers, community groups, businesses of all sizes, financial service providers, and investors in our nation's economy. Financial services modernization legislation has taken a long road to final passage. I remain committed to expanding access to the economic mainstream for all Americans. While not perfect, S. 900 will finally bring financial services law in step with the marketplace.

IN HONOR OF NORTHEAST OHIO  
AREAWIDE COORDINATING AGENCY

**HON. DENNIS J. KUCINICH**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. KUCINICH. Mr. Speaker, I rise today to congratulate Northeast Ohio Areawide Coordi-

nating Agency (NOACA) on their recent award for Outstanding Overall Achievement for large Metropolitan Planning Organizations presented by the Association of Metropolitan Planning Organizations. This prestigious award, given to only one organization nationwide each year, was well deserved.

The Outstanding Overall Achievement Award recognizes exceptional work in metropolitan transportation planning. NOACA's award nomination focused on the newly adopted transportation plan, Framework for Action 2025. This plan is a 25-year innovative, goal-oriented plan that supports transportation investments that boost economic redevelopment in the region's core cities. Framework for Action 2025 also focuses on preserving the environment, improving the efficiency of the transportation system and providing greater transportation choices for the local commuters.

In the past, the NOACA has made significant achievements by making cooperative planning efforts. Their newly adopted plan shows that they are still committed to this in the future. NOACA has made tremendous efforts to reach out to Northeast Ohio and make innovative improvements in the transportation industry.

My fellow colleagues, please join me in honoring this fine organization as they accept the Outstanding Overall Achievement Award for large Metropolitan Planning Organizations. This is a significant achievement and tremendous honor for the organization.

OUR DOMESTIC CHILD LABOR  
LAWS SHOULD BE REFORMED  
SEVENTEEN MAGAZINE REPORTS  
ON PROBLEMS OF CHILD LABOR  
IN AGRICULTURE

**HON. TOM LANTOS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. LANTOS. Mr. Speaker, I rise today to share with my colleagues in the House an article written by Gayle Forman which appeared in the October 1999 edition of Seventeen Magazine. The article, entitled "We Are Invisible," is about one of this country's ugly secrets—children laboring in our country's fields, harvesting the produce that all of us eat, and working under deplorable and backbreaking conditions which take a toll of their health and education. In her excellent article, Ms. Forman writes about the challenges facing children and families who work in the fields in trying to scrape by on meager wages and appalling working conditions. Since most of my colleagues are not avid readers of Seventeen, I want to call their attention to this article and the very serious issue it raises.

Agriculture is one of the most dangerous industries in the United States, but children are still allowed to work legally at very young ages for unlimited hours before and after school in extremely dangerous and unhealthy conditions. As many as 800,000 children work in agriculture in this country, picking the fruits and vegetables that end up in our grocery stores, either as fresh or processed fruits and vegetables.

Children who work in our Nation's fields are killed and suffer life-changing injuries. Re-

cently, a 9-year-old was accidentally run over by a tractor and killed while working in a blueberry field in Michigan. A 13-year-old was knocked off a ladder while he was picking cherries in Washington State and was run over by a trailer being pulled by a tractor. A 17-year-old was sprayed twice by pesticides in 1 week in Utah while picking peaches and pruning apple trees and died of a massive brain hemorrhage.

Children who work in agriculture often do so at the expense of their education—and education is critical to help these children break out of the cycle of poverty. Mr. Speaker, we have a responsibility for the future of these children, which means their education, and we have a responsibility to protect them from job exploitation.

Under current Federal law, children working in agriculture receive less protection than children working in other industries because of many outdated and outmoded exceptions included in our laws. For example, children age 12 and 13 can work unlimited hours outside of school in nonhazardous agricultural occupations but are prohibited from working in non-agricultural occupations. It is illegal for a 13-year-old to be paid to do clerical work in an air-conditioned office, but the same child can legally be paid to pick strawberries under the blazing summer sun. In some instances, children as young as 10 years old are working in the fields harvesting our Nation's produce.

Mr. Speaker, our laws are inconsistent and out of date with regard to the long-term changes in agriculture that have taken place. Children working in agriculture no longer merit such separate and unequal protection. The agricultural industry is no longer dominated by family farmers who look out for their own children's health and well-being as they work in agriculture. Today, major agricultural conglomerates control much of the production and the work force in agriculture, and children who work in the fields are hired laborers. Given these and other changes in our Nation's agricultural economy, I ask why children in agriculture should be treated differently than children working in other industries.

Mr. Speaker, earlier this year, I introduced H.R. 2119, the "Young American Workers' Bill of Rights Act" which would provide equal standards of protection for children who work in agriculture and children who work in other sectors of our Nation's economy. The "Young American Workers Bill of Rights" would take children under the age of 14 out of the fields. It would create an exception only for family farms, where children would still be able to assist their parents on farms owned or operated by their family.

Mr. Speaker, last year, our colleagues, Congressman HENRY WAXMAN and BERNARD SANDERS and I released an important GAO report entitled "Children Working in Agriculture" which found that current legal protections, the enforcement of those protections, and educational opportunities for children working in our fields is grossly inadequate. The GAO reports that hundreds of thousands of children working in agriculture suffer severe consequences for their health, physical well-being and academic achievement. There are also weaknesses in enforcement and data collection procedures, with the result that child labor violations are not being detected.

Mr. Speaker, as a result of this article which appeared in *Seventeen Magazine*, young people around our Nation have written to me during passage of legislation to deal with these problems. I ask that the article be placed in the RECORD, and I urge my colleagues to read the article and support meaningful comprehensive domestic child labor reforms, specifically including adoption of H.R. 2119, the "Young American Workers Bill of Rights."

[From *Seventeen Magazine*, October 1999]

(By Gayle Forman)

WE ARE INVISIBLE

Imagine that it's summer and instead of sleeping in and then hanging at the pool, you wake up at 5 a.m. You get dressed in jeans and a long-sleeved flannel shirt, and head out to a dusty field. There you spend the day bent over at the waist, plucking cucumbers that grow on prickly, low-lying vines in the ground. You do this alongside your family, throughout the day, taking a half-hour break for lunch. Imagine how it feels by afternoon, when the sun's glaring down on you, making you sweat so much in your heavy clothes that your body is dripping and your shoes are as wet as if you'd stepped in a puddle. Your hands swelter in gloves, but if you took them off you'd be exposed to pesticides or cut by thorns. Imagine that you work like this, sometimes for more than 12 hours, before heading back to the trailer or tent that is your temporary home. You shower, eat and go to sleep. The next morning you do it all over again.

One more thing: Imagine that you're nine years old.

Janie doesn't have to imagine this life. The 18-year-old from Weslaco, Texas, began working in the fields when she was nine. Along with her parents, two brothers and a sister, Janie is a farmer—but not the kind most of us think of. They don't live in a farmhouse or till their own fields. Rather, they're migrant farmworkers who crisscross the country from spring to fall, traveling from crop to crop, picking the fruits and vegetables that wind up on our tables.

In spite of all the technological advances in this country, a majority of crops—including the oranges in your juice and the pickles on your burger—must be harvested by hand. And many of those hands belong to kids. The United Farm Workers union estimates that as many as 800,000 children work in agriculture in this country—and most of these kids are U.S. residents or citizens.

DANGEROUS—AND LEGAL

Here's the thing. Such work is not against the law. Under our child labor rules, a 13-year-old cannot work in a clothing store after school, but she or he can labor in a field. In fact, it's legal for children as young as 10 to hand-harvest crops for five hours a day if their parents and the farmers for whom they're working get permission from the U.S. Department of Labor. These laws may seem strange, but in the 1930s, when child labor statutes were set up to protect children, exemptions were made so kids could work on their families' farms. Today, however, most child agricultural laborers are migrant or seasonal workers who toil on someone's else's land.

Some families—whether ignorant or of just ignoring the laws—will let really young kids work legally. "I've seen children as young as six picking with their families," says Diane Mull, executive director of the Association of Farmworker Opportunity Programs (AFOP), an organization that provides support for migrant farmworkers. It's not that fieldworker parents don't love their kids. "Parents are faced with tough choices. Either they're going to take their kids to the

field, to help make as much money as possible, or they won't be able to put food on the table," says Mull.

She's not exaggerating. Migrant farmworkers are among the poorest people in the country—the average family earns less than \$10,000 a year. Janie understands that bleak economic reality all too well. "When I first had to work, I was upset. I didn't want to do it," says the bright-eyed brunette, who loves salsa music and Jean-Claude Van Damme movies. "My parents told me it was necessary if we wanted to meet our expenses. When I looked at it that way, I wanted to help."

If parents were more aware of the dangers, they might be less willing to have their kids work on farms. Kids who labor in fields account for about 11 percent of working children in the United States—and 40 percent of all on-the-job deaths of kids happen to that small group. And then there are the pesticides: No one's sure what effect the chemicals have on kids because studies only look at how pesticides affect full-grown male adults. But a chemical that doesn't hurt a 150-pound man may be toxic to an 80-pound girl. And long-term exposure to pesticides has been linked to a bunch of health problems, from skin rashes to leukemia.

UPROOTED

The threat of danger and disease is just one of the hardships of being a picker. As a migrant family follows the ripening crops, it's not unusual for them to live in several different places in one year. Rosa, 18, has been "moving around since I was a baby." She and her family do the West Coast route—picking in California from January to May, then traveling up to Washington to harvest berries and apples until November. Conditions in the camps where Rosa lives aren't as comfortable as the trailers Janie stayed in. When Rosa travels, she, her parents, and four siblings usually live in a van or in tents near the fields. Meals are cooked over a campfire. When the season's over, the family heads to Mexico for November and December.

This nomadic existence can totally mess up your academic life. When Rosa leaves California in May, she also has to leave school early. Come September, she's usually in Washington, meaning she has to start classes there. She misses six weeks of school when she's in Mexico, too. Every time she switches schools, she tries to catch up, but she still gets shoved in remedial classes. Plus her constant state of flux means that she's forever the new girl. "It's hard. I'm always crying on the first day of school," Rosa says. "I just sit in a corner, and after two weeks in one place, we move again." It can be a lonely life, and lots of migrant kids say they'd rather stick to themselves than build relationships only to sever them. "I would like to have friends," says Rosa. "But it's hard to make them. And I can't do the kinds of things you do with friends because I don't have money."

Rosa hopes to graduate high school and become a nurse, but those gaps in her education mean she has missed out on more than a full social life. The director of her school's migrant program thinks Rosa will have a tough time making it to nursing school. Even so, it's not impossible for migrant teens to succeed. In spite of her stop-and-go schooling, Janie has managed to kick serious academic butt, acing her honors classes. After an essay that she'd written about being a migrant caught the eye of people at AFOP, Janie was selected to attend an International Labor Organization conference in Switzerland in June. Last spring she graduated from high school with a 4.0 GPA. She was set to go to Ohio State University—and

then her scholarship fell through. Anxious to get on with her education, Janie enlisted in the army rather than wait to reapply for scholarships.

MONEY DOESN'T GROW ON TREES

If Janie is a success story among migrant teens, she's also an exception. A near majority of migrants—45 to 55 percent, says Mull—don't graduate from high school. "There are all these incentives for the kids not to stay in school," says Mull. "They have the disruption in the flow of education. Some parents want older kids to work full-time. [In Mexico, where many migrant families are from, it's not uncommon for kids to leave school at 15.] Once they [these kids] start earning money, the motivation is to make more money."

Cash was definitely on Rosalino's mind when he dropped out of school. Up until eighth grade, Rosalino, 18, lived and went to school in Mexico. After he and his family moved to Florida when he was 13, Rosalino quit school so he could help his family earn money. "During the winter I work in strawberry fields in Florida," he explains, sitting under a weeping willow tree at a migrant camp in Michigan. "In June my father and brothers and sisters drive two days to Michigan, where we pick until October." At the height of the season, Rosalino clears \$200 a week—most of which goes to his family. That money must tide them over during the slow winter months, when jobs are sparse. The average migrant farmer works only 26 weeks a year, and many can't collect unemployment during the off-season.

When Rosalino ponders his future, he hopes he'll be able to shake the mud off his boots and leave the fields. "I don't want to work on farms all my life," he says. In his pursuit of a better career, however, he's hindered by a host of handicaps. He doesn't speak English, though he's lived in the United States for six years, and he doesn't have too many skills under his belt other than fieldwork.

It's kids like Rosalino who worry children's advocates like California Representative Tom Lantos. The migrant life is usually a prison of poverty, Lantos says, and education is the key to unlocking that jail. "These children won't have any future 10, 20, 30 years from now if they are deprived of their education, if their total work experience is farm labor," says Lantos. "We must provide them with an education and an opportunity to develop their potential."

LABOR AGAINST LABOR

Unlike a lot of countries that turn a blind eye to child labor, the United States has been cracking down on farmers who employ underage kids. But, say advocates like Lantos, to really keep children out of the fields, we must change the laws so that it's no longer legal for them to be there. Lantos recently proposed a Young American Workers' Bill of Rights, which aims to close the loopholes in child labor laws that make it legal for kids and young teens to work long hours in agriculture. Secretary of Labor Alexis M. Herman says she's also trying "to see how [current child labor laws] can be strengthened."

But banning child labor and actually stopping it from happening are two very different things. "We find children working in the fields in this country for many reasons besides a disregard for the law," says Secretary Herman. "We have to address the root causes—chronic poverty, lack of child care, underemployment." And the government is trying. The federal government funds Migrant Head Start and other education programs that give kids a place to go during the day while their parents pick, and provide them with a school away from school, so

they can continue their studies when their families are on the road. President Clinton has allocated more cash for education programs as well as job training projects that give kids (and adults) alternatives to the fields. There have also been efforts to make parents aware of the dangers of farmwork and the importance of keeping kids in school.

Ultimately, though, migrant teens and their families will find it a rough road to hoe, says Mull. Major improvement in conditions would mean, among other things, paying adult pickers more so there would be less pressure to make kids work. But increasing wages could raise produce prices—and few consumers relish the idea of shelling out more money for a head of lettuce. Maybe if people understood the plight of migrant teens, they'd be willing to pay a few extra bucks a year to help, but, as Janie says, migrants are pretty much invisible to many Americans. "I've met people who are running the country who don't know about the migrant life," says Janie. "Most people don't even know we exist."

#### PERSONAL EXPLANATION

#### HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. UDALL of Colorado. Mr. Speaker, on November 4th, I was unavoidably detained from casting rollcall vote 569.

Had I been present, I would have voted "no" on rollcall vote 569.

#### HONORING OUR NATION'S VETERANS ON VETERANS' DAY

#### HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. BERRY. Mr. Speaker, I rise today to pay tribute to the millions of Americans who served and sacrificed for our country in wars all over the world. This week we celebrate Veterans' Day in thousands of ceremonies across America, including several in the 1st Congressional District of Arkansas which I was so proud to represent.

November 11 was originally the day commemorating the 1918 armistice that ended World War I. The original Armistice Day celebrated the signing of the armistice between the Allies and the Central Powers at the 11th hour of the 11th day of the 11th month. The first commemorative ceremony was held when an American soldier was buried in the Arlington National Cemetery at the same time as a British soldier was buried in Westminster Abbey and a French soldier was buried at the Arc de Triomphe. In 1954, following World War II and the Korean Conflict, Armistice Day became known as Veterans Day. Realizing that peace was equally preserved by veterans of WW II and Korea, Congress was requested to make this day an occasion to honor those who have served America in all wars.

Many times we have asked our veterans to put their lives on hold, to leave their families to serve their country and protect our freedoms. Because of their strength and courage, all Americans enjoy the ideals of democracy.

On Veterans Day, it is important to remember that our Nation owes a commitment to our veterans every day of the year. We salute the millions of Americans who, because of their courage, have given us the freedom that we all enjoy. These heroes sacrificed for love of country, not only answering the call of our flag, but also honoring its meaning. Veterans' Day is a time for all Americans to remember their extraordinary commitment that has made our country the greatest nation that has ever been.

On this Veterans Day, we should all express our sincere thanks to our fellow Americans who valiantly served abroad in the U.S. Armed Forces. We should all reflect on the pride we share in the men and women who have kept our Nation free and strong.

#### DECEPTIVE MAIL PREVENTION AND ENFORCEMENT ACT

SPEECH OF

#### HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 2, 1999*

Mr. DAVIS of Illinois. Mr. Speaker, I am proud to have played a part in the House consideration and markup of the Honesty in Sweepstakes Act of 1999. Last month, the Subcommittee on the Postal Service marked up H.R. 170, and unanimously approved an amendment in the nature of a substitute offered by the ranking minority member congressman FATTAH and chairman MCHUGH. Our bill which closely mirrors sweepstakes legislation passed by the Senate in August would:

Impose disclosure requirements relating to sweepstakes mailings and skills contests (contests in which a prize is awarded based on skill, and a purchase, payment, or donation is required) concerning rules, terms, conditions, sponsor, place of business of sponsor, odds of winning, and other information to help ensure the consumer has complete information about the contest;

Prohibit mailings that suggest a connection to the federal government, or that contain false representations implying that federal government benefits or services will be affected by participation or nonparticipation in the contest;

Require that copies of checks sent in any mailing must include a statement on the check itself stating that it is nonnegotiable and has no cash value;

Require certain disclosures to be clearly and conspicuously displayed in certain parts of the sweepstakes and skill contest promotions;

Require sweepstakes companies to maintain individual do-not-mail lists;

Give the Postal Service additional environment tools to investigate and stop deceptive mailings, including the authority to impose civil penalties and subpoena authority;

Require that companies adopt reasonable practices and procedures to prevent the mailing of materials on sweepstakes or skills contests to individuals who have written to the companies requesting not to receive such mailings;

Establish a private right of action in state court for consumers who receive follow-up mailings despite having requested removal from a mailer's list; and

Establish a federal floor above which states could enact more restrictive requirements.

H.R. 170 adds two very important and critical provisions consumer protection provisions. First, we provided the Postal Service with subpoena authority to combat sweepstakes fraud. In addition, we have limited the scope of subpoena authority to only those provisions of law addressing deceptive mailings, and required the Postal Service to develop procedures for the issuance of subpoenas.

The second provision contains language authored by the ranking minority member, Congressman FATTAH which added a private right of action to sweepstakes legislation. This provision now a part of H.R. 170, would allow consumers to file suit in state court if a sweepstakes promoter continues to send mailings despite having requested removal from a mailer's list. This important enforcement tool, contained in section 8 of H.R. 170, is supported by the National Consumers League, the American Association of Retired Persons and the Direct Marketing Association.

The issue of consumer protection, whether it relates to telemarketing fraud or sweepstakes deception is finally receiving the attention it deserves and I am pleased we have provided additional consumer protection along this line.

I would be remiss if I did not thank my colleagues who have sponsored honesty in sweepstakes legislation in the House. Special recognition deserves to go to the authors of H.R. 170, Congressmen LOBIONDO and CONDIT. Their diligence has ensured a bipartisan bill. I would also like to acknowledge the support of Congressman BLAGOJEVICH, himself the sponsor of sweepstakes legislation, H.R. 2731, the Consumer Choice and Sweepstakes Control Act.

Special recognition goes to the State of New York, Office of the Attorney General, the National Association of Attorneys General, the Federal Trade Commission, National Consumers League, the American Association of Retired Persons, Direct Marketing Association, the Postal Service Inspector General, and Courtney Cook, of the minority staff. Your hard work, input and support have been appreciated.

Mr. Speaker, I thank you for being gracious and working with us to achieve a bipartisan bill.

#### MEDICARE, MEDICAID, AND SCHIP BALANCED BUDGET REFINEMENT ACT OF 1999

SPEECH OF

#### HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. RUSH. Mr. Speaker, I rise to express my opposition to the process by which we are considering some of the most important legislation that this House will debate during this session of Congress—the Medicare, Medicaid and Schip Balanced Budget Refinement Act of 1999. As a member of the Commerce Committee, I would have liked to have had the opportunity to fully debate the Medicare, Medicaid and SCHIP changes that this legislation makes. Particularly, in light of the impact the Balanced Budget Act has had on Illinois hospitals.

Illinois hospitals are experiencing severe financial hardship as a result of the Balanced Budget Act of 1977 (P.L. 105-33). The cuts mandated by the BBA were supposed to simply slow the growth in the Medicare program. However, the Act "overcorrected" the growth in Medicare spending and severely reduced Medicare reimbursements to hospitals and health service providers for five years beginning in 1997. In Illinois alone, it is estimated that hospitals will lose \$2.8 billion in Medicare payments over a five year period. The financial burden of the BBA cuts is particularly acute for the teaching hospitals in my state. Because Illinois ranks fifth in the nation in the number of teaching hospitals, and these facilities are expected to lose more than \$1.6 billion over the five-year period, of the BBA's life. These cuts have a devastating effect on the communities that they serve.

I opposed the Balanced Budget Act when it was debated by the House of Representatives in 1997. I believed that it was bad policy then, and believe that it is bad policy now.

In order to provide relief for the teaching hospitals and other health service providers that were so adversely impacted by the BBA, I introduced legislation, Health Care Preservation and Accessibility Act of 1999, H.R. 3145, to restore some of the Medicare reimbursements that the BBA reduced. The legislation was intended to accomplish this in a number of ways:

(1) H.R. 3415 would freeze the cuts in indirect medical payments (IME) to teaching hospitals at 1999 levels. It also freezes cuts in the disproportionate share payments (DSH payments) at 2% and provides payments directly to those serving a large share of low-income patients;

(2) directs the Secretary of Health and Human Services to make payments for Graduate Medical Education (GME) to children's hospitals for the Medicare FY 2000 and 2001 cost reporting periods for the direct and indirect expenses associated with operating approved medical residency training programs;

(3) sets a floor on outpatient hospital payments so that rural hospitals do not fall below 1999 levels and establishes a new payment system for rural health centers;

(4) revises the payment system for community health centers so that it more adequately reimburses for the costs of care and allows safety net providers that provide health coverage to low-income Americans to be directly compensated for their services;

(5) eliminates the \$1,500 per beneficiary cap imposed by the BBA and replaces it with a payment system that is based on the severity of illness;

(6) revises the BBA's new prospective payment system for skilled nursing facilities by increasing reimbursements for patients needing a high level of services to more accurately reflect the cost of their care;

(7) delays a scheduled 15% reduction in the home health interim payment system if the Secretary of Health and Human Services misses the deadline for instituting the new prospective system. H.R. 3415 also allows for interest free recoupment of overpayments due to HCFA's underestimation of the interim payment rates for certain agencies. Finally, H.R. 3415 provides additional protections for seniors citizens and persons with disabilities and strengthens protections and sanctions for Medicare fraud and abuse.

Mr. Speaker, I introduced the Health Care Preservation and Accessibility Act of 1999 when it looked as if we could not reach agreement on even the minimal BBA relief that the legislation before us provides to Illinois hospitals, and hospitals across the nation. I am reluctantly supporting the legislation before us today, because it is the only option that has been presented to us. But it is my hope that we will have the courage to revisit this issue in the next session, and complete the job that we have only begun with H.R. 3075.

#### CONFERENCE REPORT ON S. 900, GRAMM-LEACH-BLILEY ACT

SPEECH OF

**HON. JERRY F. COSTELLO**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1999*

Mr. COSTELLO. Madam Speaker, I rise today in strong opposition to the Financial Services Modernization Act. This bill was brokered by the Republican leadership, in a partnership with the large financial services lobbyists, to the benefit of enormous corporations at the ultimate expense of the American consumer.

This bill will expedite the creation of megabucks malls—the one-stop shopping of the financial world. This will hurt consumers because as financial services providers consolidate, competition will decline and consolidate decision-making and services among fewer service providers. Should one of these enormous institutions suffer a financial decline, we could see calls for a bailout that will recall the savings and loan debacle of the 1980's, with taxpayers footing the bill.

I am also concerned of the effects that the Community Reinvestment Act provision may have on certain banks in my district. By reviewing small banks which provide service in underserved communities only once every 4 or 5 years, there is no guarantee that these banks will maintain their lending standards to these communities. A two-year review enforced this. Underserved communities need to be ensured of financial assistance, and this bill does not provide that guarantee.

Most frightening, however, is the effect the privacy provisions will have. Under this bill, financial institutions have access to and distribute our personal information, including our bank and brokerage account or insurance record information, to all the institution's divisions and affiliates, without the customer's permission. In addition, banks will share our consumer information with third parties unless the consumer explicitly tells the financial institution not to. The walls protecting our financial privacy and other personal information are slowly being eroded.

While the Financial Services Modernization Act may modernize the financial world, it does so at the expense of the consumers. I cannot support this legislation.

TRIBUTE TO THE HONORABLE LEO  
T. MCCARTHY

**HON. ANNA G. ESHOO**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Ms. ESHOO. Mr. Speaker, I rise today to honor a distinguished American, a revered Californian, and a dear friend, Leo T. McCarthy, on the occasion of his induction into the San Francisco Law School Hall of Fame.

Born in Auckland, New Zealand, Leo immigrated with his family to the United States at the age of three. He earned his undergraduate degree from the University of San Francisco and his law degree from San Francisco Law School. Admitted to the practice of law in both the Federal and State courts of California on January 15, 1963, Leo McCarthy was also elected to the San Francisco Board of Supervisors in 1963.

In 1968, Leo McCarthy was elected to the California State Legislature where he served with great distinction until 1982. Chosen Speaker of the California State Assembly in 1974, he focused his considerable talents and energy upon creating State policy in areas ranging from education to health. He has given important service as a member of the World Trade Commission, the University of California Board of Regents, and the California State University Board of Trustees where both his passion for excellence and civic spirit were always evident.

On January 3, 1983, Leo McCarthy became the Lieutenant Governor of the State of California, a position he retained until his retirement from elective office in 1994. Once again, his commitment to serving both his nation and the people of California was clearly manifested by his dedication to his office. He nurtured businesses from formation to long term growth as the Chair of the California Commission for Economic Development. He focused particular attention upon working to improve the involvement of businesses in international trading and investment, particularly in Pacific Rim markets, an area of lifelong interest.

In 1992, while still in office, Leo McCarthy aided over 100 women and minority business investors by publishing an award-winning guide titled, *Starting and Succeeding in Business: A Special Publication for Small, Minority- and Women-Owned Businesses*. At the same time, he helped California implement the Greater Avenues for Independence (GAIN) program which helps welfare recipients move into private sector jobs. In 1992, Leo McCarthy sponsored both the Mammography Quality Assurance Act that created new standards governing both mammography facilities and technology, and Senate Joint Resolution 32, which declared that breast cancer was an epidemic in California, requesting that the President and the Congress dedicate greater funds to find the causes of and a cure for the disease.

Upon his retirement from public office in 1994, instead of indulging in a well-deserved rest, Leo McCarthy joined the board of the Linear Technology Corporation, a high tech firm which manufactures analog integrated circuits and in 1998, produced \$460 million in sales. He also became a board member of two mutual funds, the Parnassus Fund, a socially responsible fund that invests a \$400 million investment portfolio in domestic stocks



and bonds, and Forward Funds, Inc., which focuses on investing in domestic and foreign equities and bonds with a \$230 million investment portfolio.

Leo McCarthy is also the Vice Chair on the Board of Open Data Systems, a private firm which creates software aimed at facilitating the accurate recording and processing of building permits and other development documents used by local governments. All of these private sector businesses have subsequently benefited from his active and enthusiastic involvement as a board member. In 1995, Leo McCarthy became President of the Daniel Group, a law partnership which focuses on international trade and market investment.

With all these responsibilities, Leo McCarthy has continued his public service. Appointed to the National Gambling Impact Study Commission by the U.S. Senate Democratic Leadership, the Commission has undertaken a two year study of the impact of all forms of legal gambling in the United States at the order of the President and the Congress.

Leo McCarthy and his wife Jacqueline have been married for over 40 years. They have four exceptionally talented children, Sharon, a fifth grade teacher, Conna, an attorney, Adam, an import-export businessman, and Niall, an attorney, and they are the proud grandparents of eight.

Leo McCarthy's life of leadership is instructive to us all. His dedication to the ideals of both democracy and public service stand tall. I am especially blessed to have him as a mentor, a colleague, and a friend. It is fitting that the San Francisco Law School has chosen to induct him into its Hall of Fame and I ask my colleagues, Mr. Speaker, to join me in honoring a great and good man. We are indeed a better country and a better people because of him.

**DOROTHY'S PLACE HOSPITALITY  
CENTER**

**HON. SAM FARR**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. FARR of California. Mr. Speaker, I rise today to commemorate the millionth meal served by Dorothy's Place Hospitality Center. Founded in 1982 by Robert Smith and operated by the Franciscan Workers of Junipero Serra, Dorothy's Place is a local soup kitchen in Salinas that has provided food and support daily to the hungry and the homeless.

Dorothy's Place Hospitality Center has for more than seventeen years provided meals as well as support to the less fortunate members of Salinas County during times of need and hardship. The staff and volunteers have graciously extended themselves through commitment and generosity to our local poor. Dorothy's Place is a great community resource deserving of praise and thanks for the humanitarian spirit and service that it has provided for so many years.

It is with great pleasure that I commend Dorothy's Place Hospitality Center for serving its millionth meal. For its exemplary record of service to the poor and hungry, I would like to extend best wishes for success in the future as this establishment continues to make invaluable contributions to our community.

**JAPANESE "COMFORT WOMEN"**

**HON. LANE EVANS**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. EVANS. Mr. Speaker, I rise today to speak about one of the great injustices, one of the most flagrant violations of human rights.

During World War Two, the Japanese military forced hundreds of thousands of women to serve as sexual slaves. Euphemistically known as "comfort women", they were predominantly Korean women and girls abducted from their homes and forced to serve Japanese soldiers. This government-sanctioned program created untold numbers of comfort stations or military brothels throughout Japanese-occupied territories in the Pacific Rim.

For decades after the war, the Japanese government denied the existence of "comfort women" and the comfort stations, but in 1994, their position changed. The Japanese government admitted that "the then Japanese military was directly or indirectly involved in the establishment and management of comfort stations and the transfer of 'comfort women [and] that this was an act that severely injured the honour and dignity of many women'".

In 1993, international jurists in Geneva, Switzerland ruled that women who were forced to be sexual slaves of the Japanese military deserve at least \$40,000 each from the state treasury as compensation for their extreme pain and suffering.

Mr. Speaker, the Japanese government has a legal as well as moral responsibility to face its history. To continue to indignantly brush away these women's claims adds insult to injury.

Stripped of their dignity, robbed of their honor, most of them were forced to live their lives carrying those horrific experiences with them covered under a veil of shame. I don't think they should do so any longer.

I believe the Japanese government must do whatever can be done to restore some dignity for these women.

The German government has formally apologized to the victims of the Holocaust as well as other war crimes victims and has gone to great lengths to provide for their needs and recovery, but the Japanese government has yet to do so.

That is why, in the strongest possible terms, I call upon Japan to formally issue a clear and unambiguous apology for the atrocious war crimes committed by the Japanese military during World War II and offer reparations no less than \$40,000 for each of the "comfort women". The surviving women are advanced in age, and time is of the essence. They have waited so long. They should wait no longer.

Critics may ask why we should even dredge up something that happened so long ago and halfway across the world?

Let me turn the critics' attention to the U.S. Constitution. It reads: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights . . ."

Mr. Speaker, this nation was an experiment. An experiment to form a new system of government. A government based on the then-radical concept that we all have certain God-given rights that should not be violated—each and every one of us in this world. It matters

not that injustices were committed against women and girls in East Asia over fifty years ago or fifty minutes ago. There is no statute of limitation on crimes against humanity. When human rights are violated, the international community must act because we have a moral responsibility to do so.

Even today, we sometimes turn a blind eye to human rights. We sometimes take them for granted. We sometimes stay silent. But we shouldn't.

Two hundred years ago, Thomas Jefferson wrote: "the laws of humanity make it a duty for nations, as well as individuals, to help those whom accident and distress have thrown upon them."

Mr. Speaker, I strongly believe we have a duty. We have a duty to help those who need our help. We have a duty to stand up for those who cannot stand up on their own. We have a duty to speak up for those who have no voices and to do what is just and what is right.

So, let us do what is just and what is right for the "comfort women" and other victims. Let us speak out for them. Let us stand up for them. Let us lend them our strength.

We must act and we must speak out, because in the end, people will remember not the words of their enemies, but the silence of their friends.

We must not remain silent.

**MEDICARE, MEDICAID, AND SCHIP  
BALANCED BUDGET REFINEMENT  
ACT OF 1999**

SPEECH OF

**HON. JERROLD NADLER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 5, 1999*

Mr. NADLER. Mr. Speaker, I rise today to explain my vote against H.R. 3075, the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act. This bill makes several important restorations of cuts that were made to the Medicare program in the Balanced Budget Act of 1997. However, this bill also includes a provision that would hurt New York City's teaching hospitals and render meaningless the other positive measures in this bill.

Mr. Speaker, America's hospitals are hurting and they need relief from the mammoth cuts made by the Balanced Act. I was one of the few lawmakers who voted against the Balanced Budget Act because I knew it would have these consequences. We should not be surprised that cutting over \$200 billion from Medicare would cause the quality of care to suffer in many hospitals. In New York State alone, it has been estimated that hospitals have lost over \$550 million so far and could face up to \$3 billion more in cuts over 5 years without new legislation. H.R. 3075 would make a small, but important, down payment toward restoring those cuts.

However, it is shameful that in the name of providing relief, this bill would create even more pain for New York. At the last minute, a provision was added to change the methodology by which Medicare reimburses teaching hospitals for their direct medical education costs from one based on actual cost to one based on national average costs. This would shift over \$45 million a year from New York

State, where costs are well above the national average, to other parts of the country. In my district alone, teaching hospitals would lose almost \$12 million in the first five years this provision would be in effect. Teaching hospitals help train the next generation of physicians. It would be unwise to shortchange this investment for the future.

It is unfortunate that this provision was inserted at the last minute during the final negotiations, from which Democrats were frozen out. In addition, H.R. 3075 was brought up under suspension of the rules, allowing little debate and no opportunity to offer an amendment to rectify the situation.

America's hospitals need relief from the deep cuts made in 1997. I hope that we will find a way to do this without pitting states against each other.

H.R. 3196—FOREIGN OPERATIONS  
APPROPRIATIONS BILL

**HON. MIKE MCINTYRE**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1999*

Mr. MCINTYRE. Mr. Speaker, for the record, this is to clarify that the "no" vote I cast on November 5, 1999, against the foreign Operations Appropriations bill is by no means an indication that I am opposed to foreign aid for Israel, India, Greece, or Cyprus. Indeed, my voting record with regard to aid for these countries clearly exemplifies my strong support for them. Our country should value our relationships with these and other nations who are allies and partners for peace. In fact, I voted for the Young Amendment to the Foreign Operations bill because it is critical to our national security interests that we provide assistance to implement the Wye River Accord between Israel, the Palestinian Authority, and Jordan. The reason I voted against the Foreign Appropriations bill is because we, as a Nation, have an obligation to take care of our own families first and provide them with the aid they need especially in times of dire emergencies. The citizens of North Carolina are facing an imminent crisis in the wake of three major hurricanes that must be addressed immediately by Congress with the passage of an emergency relief bill. Until that happens, it is improper for us to place the needs of other countries ahead of the needs of our own taxpayers.

CONFERENCE REPORT ON S. 900,  
GRAMM-LEACH-BLILEY ACT

SPEECH OF

**HON. JOHN J. LAFALCE**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1999*

Mr. LAFALCE. Madam Speaker, I rise in strong support of the conference report on S. 900, the Gramm-Leach-Bliley Financial Modernization Act of 1999.

In July, the House passed its version of financial modernization (H.R. 10), with a broad bipartisan vote of 343-86. The Senate passed a partisan product (S. 900) by a narrow margin of 54-44, a bill which the White House in-

dicated it would veto because of its negative impact on the national bank charter, highly problematic provisions on the Community Reinvestment Act (CRA) and its nonexistent privacy protections.

The conference report necessarily represents a compromise between the two versions. But it is a good and balanced compromise. It effectively modernizes our financial system, while ensuring strong protections for consumers and communities. As a result, the Administration strongly supports the conference report.

There are clear gains for our financial services system, for consumers and for communities in this bill is enacted. There are clear losses if it is not.

Without this bill, banks will continue to expand into securities and insurance business as they have been doing for some years under current law. However, they will do so without CRA coverage; without privacy protections; without the regulatory oversight and regulatory protections enhanced in this bill; and with artificial structural limitations that will place the U.S. financial services industry at a clear competitive disadvantage. Without this bill, commercial firms will continue to move more and more into the banking business, with no real limitations.

I would like to review the major provisions of the bill and the intent of those provisions.

FINANCIAL MODERNIZATION

This bill permits the creation of new financial services holding companies which can offer a full range of financial products under a strong regulatory regime based on the principle of functional regulation. Banks currently engage in securities and insurance activity under existing law and court interpretations of that law, including the Bank Holding Company Act, the Federal Reserve Act, the National Banks Act, and various state laws. This conference report ensures that such activities will occur, in the future, with appropriate regulatory oversight based on the principle of functional regulation. The conference report also provides for appropriate "umbrella" authority at the holding company level by the Federal Reserve, and essential consumer and community protections.

The conference report, in contrast to the Senate bill, clearly preserves the strength of the national bank charter by giving institutions a choice of corporate structure through which they can conduct their business consistent with the original House product.

I would like to clarify the intent of this legislation as it pertains to the market-making, dealing and other activities of securities affiliates of financial holding companies. Currently, bank holding companies are generally prohibited from acquiring more than five percent of the voting stock of any company whose activities are not closely related to banking. The Federal Reserve has determined that a securities affiliate of a bank holding company cannot acquire or retain more than five percent of the voting shares of a company in a market-making or dealing capacity. In addition, for purposes of determining compliance with this five-percent limit, the Federal Reserve has required that the voting shares held by the securities affiliate be aggregated with the shares held by other affiliates of the bank holding company.

I would like to make clear that, by permitting financial holding companies to engage in underwriting, dealing and market making, Con-

gress intends that the five-percent limitation no longer apply to bona fide securities underwriting, dealing, and market-making activities. In addition, voting securities held by a securities affiliate of a financial holding company in an underwriting, dealing or market-making capacity would not need to be aggregated with any shares that may be held by other affiliates of the financial holding company. This is necessary under the bill so that bank-affiliated securities firms can conduct securities activities in the same manner and to the same extent as their non-bank affiliated competitors, which is one of the principal objectives of the legislation. The elimination of the restriction applies only to bona fide securities underwriting, dealing, and market-making activities and does not permit financial holding companies and their affiliates to control non-financial companies in ways that are otherwise impermissible under the bill.

The Conference Committee agreed to make the effective date of implementation of Title I, except for Section 104, 120 days from the date of enactment. We reached this decision to provide the regulators with an opportunity to implement this legislation effectively. It is the intent of the Conferees that Title I become effective 120 days after enactment even if the agencies are not able to complete all of the rulemaking required under the act during that time.

In addition, it should be noted that in some instances, no rule writing is required. For example, new Section 4(k)(4) of the Bank Holding Company Act, as added by Section 103 of the bill, explicitly authorizes bank holding companies which file the necessary certifications to engage in a laundry list of financial activities. These activities are permissible upon the effective date of the act without further action by the regulators. The Conferees recognize, however, that refinements in rulemaking may be necessary and desirable going forward, and for example, have specifically authorized the Federal Reserve and the Treasury Department to jointly issue rules on merchant banking activities. If regulators determine that any such rulemaking is necessary, the Conferees encourage them to act expeditiously.

COMMUNITY REINVESTMENT ACT (CRA)

DISCLOSURE AND REPORTING OF CRA AGREEMENTS

While I support the general concept of disclosure, the so-called "sunshine" provision could be pernicious because it could cast aspersions on the many constructive partnerships between banks and community groups that are helping to bring thousands of communities and millions of Americans into the financial mainstream.

Fortunately, however, the bill now substantially limits the scope, reporting requirements, and penalties for violating the disclosure requirements.

The "sunshine" amendment applies only to agreements that would "materially impact" a bank's CRA rating or a regulator's decision to approve a bank's application. Few if any agreements with major banks would have so large an impact. Indeed, it would neither make sense nor be workable to require annual reports for every contract between a bank and every community partner merely because they had discussed how to best meet CRA requirements. In addition, grants and cash payments under \$10,000 and loans under \$50,000 would be automatically exempted, as would most market rate loans that are not re-lent. I also strongly encourage the regulators to use their

authority to exclude agreements with service organizations such as civil rights groups and community groups providing housing or other services in low-income neighborhoods. We have no business interfering with such organizations just because they work with banks, and it is not Congress' intent to do so.

Community groups and other partners of banks would have to make annual reports of how the funds were used, but here again the conferees have substantially scaled back their requirements. The regulators are directed to ensure that the reporting requirements do not impose an undue burden on the parties and that proprietary and confidential information is protected. Organizations with multiple agreements with banks could file a single consolidated report. In addition, the Statement of Managers directs that a bank's partner may, "in keeping with the provisions of this section, fulfill the requirements . . . by the submission of its annual audited financial statement or its federal income tax return."

Finally, penalties only apply to a community group or another partner of a bank if the party makes a willful and material misrepresentation on a report and then fails to correct the problem after notification and a reasonable period. Only in such a case would an agreement between the bank and its partner become unenforceable.

This summarizes the essential and substantial changes that have been made to the original Senate disclosure provision. However, these provisions are of such potential import that I would like to elaborate in considerable detail on the history of the provision and the intent of the conferees in making the substantial changes reflected in the conference report.

#### LEGISLATIVE HISTORY DISCLOSURE PROVISION

Some legitimate concerns have been raised over the potential burden imposed by the disclosure and reporting requirements contained in Section 711 of the bill. The provision in the final bill involved intensive negotiations by both the minority and majority parties which significantly narrowed the scope of the provision, the reporting requirements, and the circumstances under which violations may be found to have occurred and penalties imposed.

The statute provides in new section 48(h)(2)(A) of the Federal Deposit Insurance Act that the appropriate Federal banking agency "shall . . . ensure that the regulations prescribed by the agency do not impose an undue burden on the parties and that proprietary and confidential information is protected. . . ." This is a central component of the provision as agreed to by the conferees. It is the conferees' understanding that this subsection is intended to prevent any overly broad or unduly burdensome reading of the reporting and disclosure requirements of this provision, including the requirements of section 48(c), the reporting requirements placed on non-insured depository institutions that are parties to agreements covered by this provision.

The prohibition in section 48(h)(2)(A) against placing an "undue burden" on the parties applies fully to every subsection of section 48. Section 48(c), which provides for reporting of information by nongovernmental entities or persons, is to be interpreted in light of subsection (h)(2)(A), to prevent any "undue burden" from falling on the parties to a covered

agreement. As the Statement of Managers' provides:

The Federal banking agencies are directed, in implementing regulations under this provision, to minimize the regulatory burden on reporting parties. One way in which to accomplish this goal would be whenever possible and appropriate with the purposes of this section, to make use of existing reporting and auditing requirements and practices of reporting parties, and thus avoid unnecessary duplication of effort. The Managers intend that, in issuing regulations under this section, the appropriate federal supervisory agency may provide that the nongovernmental entity or person that is not an insured depository institution may, where appropriate and in keeping with the provisions of this section, fulfill the requirements of subsection (c) by the submission of its annual audited financial statement or its federal income tax return.

It is intended that, for example, subsection (c)(3) be read to require a "list" of the "categories" of uses to which funds received by the reporting party under covered agreements have been made.

It is not the intent that subsection (c)(3) require a reporting of any particular expense. A reporting entity might, however, include, if applicable an item in their report entitled "administrative expenses," together with the amount, if any, of the funds received under a covered agreement or agreements, if any, expended for such purpose, or, the report might simply consist of an annual financial statement or federal income tax return. As the Statement of Managers states, this requirement could in most instances be fulfilled by the filing of an annual financial statement or federal income tax return.

The statute also directs the appropriate Federal supervisory agency to "establish procedures to allow any nongovernmental entity or person who is a party to a large number of agreements described in subsection (a) to make a single or consolidated filing of a report under subsection (c) to an insured depository institution or an appropriate Federal banking agency." An organization with a large number of such agreements could simply file one summary report, summarizing the information requirement to be provided with respect to covered agreements in a single set of data in a single report, with the depository institution or regulator.

The conferees significantly modified the scope of agreements as to which this provision applies.

First, under subsection (h)(2)(A), this section is to be interpreted so as to avoid placing an "undue burden" on the parties.

Second, an agreement must be made "pursuant to or in connection with the fulfillment of the Community Reinvestment Act," as defined in subsection (e). The term "fulfillment" means a list of factors that the appropriate Federal banking agency determines has a material impact on the agency's decision—(A) to approve or disapprove an application for a deposit facility, or (B) to assign a rating to an insured depository institution under an examination under the Community Reinvestment Act. As noted in the Manager's Statement, the regulator's assessment of material impact is to be based on factors that the regulator "would attach importance to" in approving or disapproving an application or in assigning a particular rating under CRA.

Third, the statute only pertains to agreements in which a party to the agreement re-

ceives grants or other consideration in excess of \$10,000, or receives loans in excess of \$50,000 under the agreement. An agreement under which nothing of value exceeding these amounts is revealed by the party is not covered by this provision.

Fourth, the statute provides for additional safe harbors from the provision. All individual mortgage loans are not covered. Other loans, unless they are substantially below market or involve re-lending to another party, are not covered. Agreements with a nongovernmental entity or person "who has not commented on, testified about, or discussed with the institution, or otherwise contacted the institution, concerning the Community Reinvestment Act" are also not covered. As noted in the Manager's Statement this exception could include a broad range of organizations providing services in low and moderate income areas, including "service organizations such as civil rights groups, community groups providing housing or other services in low-income neighborhoods, the American Legion, community theater groups, and so forth." The conferees are aware that insured depository institutions may list contributions to these organizations as a factor to be evaluated in applications subject to CRA or in examinations under CRA. It is not the conferees' intent that the undertaking of such activities, and listing of such activities in an application or examination by an insured depository institution have any bearing whatsoever on the determination of whether an agreement is required to be disclosed, and as to which reporting is required to be made, under this section.

Fifth, the Federal Reserve Board may, under 48(h)(3)(B), prescribe regulations "to provide further exemptions . . . consistent with the purposes of this section." It is the conferees' intent that, consistent with the purposes of this section, including the requirement of subsection (h)(2)(A), the Federal Reserve Board broadly construe its authority to provide for further such exemptions.

In drafting this provision, the conferees were concerned about not "chilling" the atmosphere between community groups and banks by creating uncertainty over whether a particular CRA agreement was covered by the provision. A bank and a community group should be able to determine clearly, up-front under implementing regulations whether their CRA agreement is covered by this provision. The conferees intend that implementing regulations should make clear whether this provision applies to any given CRA agreement. To the greatest extent possible, we do not want community groups and banks to have to report unnecessarily, and we do not want to deter community groups and banks from entering these arrangements by creating confusion. The bank regulators should promulgate regulations so that parties know in advance whether their agreement is covered or not, consistent with the purposes of the provision.

#### "HAVE AND MAINTAIN" PROVISIONS

The requirement that a banking organization have a "satisfactory" CRA rating is an ongoing requirement in order for it to expand into these new areas. Each and every time that a bank or its holding company seeks to expand into these newly authorized nonbanking lines of business—such as securities underwriting or insurance—their insured depository affiliates must have a "satisfactory" CRA rating. This

requirement applies each time the banking organization commences one of these nonbanking activities, or acquires or merges with another company in a nonbanking area. The Conference Report would therefore extend enforcement of CRA, in that under the Act, a bank's CRA record would be taken into consideration in determining whether the bank or its holding company can expand into nonbanking activities.

Today, banks are permitted to expand into nonbanking activities—to the extent permitted by current law—without any consideration of their CRA performance at all. The Federal Reserve Board reports that it has approved thousands of applications for such expansions, and the current law does not impose any CRA review on these nonbank expansions at all. Under the Conference Report, each of the insured depository affiliates of banking organizations must have a "satisfactory" CRA rating at the time it expands into the nonbanking area. This is a new requirement, and for the first time makes satisfactory CRA performance a prerequisite to entering these nonbanking lines of business.

There are two major enforcement provisions for this requirement. First, if the banking organization violates the prohibition against entering these nonbanking lines of business without its affiliated banks having a satisfactory CRA rating, all the penalties of the Federal Deposit Insurance Act apply. The FDIA penalties for noncompliance include divestiture and cease and desist orders, civil money penalties, and removal of officers and directors. Second, by not earning a "satisfactory" CRA rating, a bank and its holding company would be prohibited from entering these new lines of business. In effect, that imposes a high opportunity cost in missed business opportunities, and creates a powerful imperative for the holding company to ensure that its affiliated and subsidiary banks maintain at least a satisfactory CRA rating.

The bill does not affect the existing application process for banks acquiring or merging with other banks, in which the regulators review the banks' CRA record and the public has an opportunity to comment. The existing procedures for bank mergers or acquisitions with other banks are preserved fully intact. There are no changes.

#### SMALL BANK CRA EXAMINATION CYCLE

Although the statute sets a time line for examinations of banks under \$250 million in assets that are currently rated "outstanding", the regulators nonetheless retain the full discretion to examine any bank at any time for reasonable cause. Section 712 of the statute states: "a regulated financial institution described in subsection (a) may be subject to more frequent or less frequent examinations for reasonable cause under such circumstances as may be determined by the appropriate Federal financial supervisory agency." This means that regulators retain full discretion to examine any bank for CRA compliance at any time for reasonable cause. For example, the bank's local market conditions may have changed significantly so that the bank's lending should have adjusted accordingly, or a change in bank management may have redirected the bank's lending practices such that the regulators find reasonable cause to conduct a CRA examination outside the routine cycle. The public could send comments to the bank regulators at any time regarding the CRA performance of any

banks—even if outside the routine CRA examination or application process—and if the regulators find reasonable cause to do so, they could conduct a CRA exam of that bank. The public may comment to the regulators regarding a particular bank so that regulators can make a fully informed judgment about whether there is "reasonable cause" to conduct a CRA exam outside the routine cycle. Of course, regulators must come to their own conclusions about whether such an "off-cycle" CRA exam is justified, but public comment to the regulators can be valuable to their decisionmaking.

With regard to section 712, this provision does not affect the regulators' judgment about when to examine banks under \$250 million with a less than satisfactory rating. This provision is not intended by the conferees to limit the regulators from examining small banks with less than satisfactory records as they deem appropriate. My understanding is that the bank regulators' current practice is to conduct CRA examinations of banks with less than satisfactory CRA records as often as every 6–18 months. This provision does not restrict or direct their judgment for those banks. CRA examinations in connection with applications for bank mergers and acquisitions are also not affected by these provisions in any way. The provision also does not in any way affect the current law's requirements to take into account an institution's CRA record of meeting the credit needs of its community when banks are merging or acquiring other banks, or for any application for a depository facility.

#### PRIVACY

For the first time, this bill imposes substantial privacy protections for consumers under federal law in the financial services context. The privacy provisions of the bill:

- Imposes on all financial institutions an "affirmative and continuing obligation" to respect the privacy of customers and the security and confidentiality of their personal information;

- Requires the federal regulators to issue institutional safeguards that will protect customers against unauthorized access to and use of their personal information;

- Requires that consumers be provided with notice and an "opt-out" opportunity before their financial institutions can disclose any personal financial information to unaffiliated third parties;

- Prohibits financial institutions from sharing with unaffiliated parties any credit card, savings and transaction account numbers or other means of access to such accounts for purposes of marketing;

- Prohibits unaffiliated third parties that receive confidential information from sharing that information with any other unaffiliated parties;

- Requires financial institutions to fully disclose to customers all of their privacy policies and procedures;

- Amends the Fair Credit Reporting Act to strengthen and expand regulatory authority to detect and enforce against violations of credit reporting and consumer privacy requirements.

These are the very same privacy provisions that passed the House by a virtually unanimous 427–1 vote. In fact, the provisions actually represent a strengthening of the House product in two key respects. First of all, the disclosure requirement has been extended to cover a financial institution's practices on information-sharing within the affiliate structure, allowing consumers to comparison shop based

on a company's privacy policies. Secondly, the conference report totally safeguards stronger state consumer protection laws in the privacy area.

Section 502(d) of the conference report contains a broad prohibition against the disclosure of a consumer's account number or similar form of access device by a financial institution to any non-affiliated third party for use in direct marketing. The agencies with rulemaking authority under the legislation may grant exceptions to this prohibition if "deemed consistent with the purposes of this subtitle." The report language makes clear that any exceptions to this strict prohibition are to be narrowly drawn and may be deemed consistent with the purposes of the bill only where three factors are present: (1) The customer account number or access device is encrypted, scrambled or decoded, (2) the customer provides express consent to the financial institution to make such disclosure prior to the time of the disclosure; in other words, the customer "opts-in" to such disclosure with the financial institution, and (3) such disclosure is necessary to service or process a transaction that the customer expressly requests or authorizes.

The joint marketing provision sought to narrow the potentially unequal application of privacy restrictions between larger financial entities that operate through affiliates and smaller banks and credit unions that must contract with outside institutions to provide basic financial services such as credit cards or mortgages to customers. It is important to note that the provision contains at least four levels of restrictions to limit its application. The joint marketing exception applies only to agreements under which one financial institution markets the products of another or markets financial products on the other institution's behalf. Permissible joint agreements and financial products would be limited by federal regulation and any sharing of information must be clearly disclosed and subject to strict confidentiality contracts.

#### OTHER CONSUMER AND COMMUNITY PROTECTIONS

The bill contains important other new consumer and community protections.

It:

- Provides extensive new consumer protections in connection with bank sales of insurance products, including prohibitions against tying, misrepresentation or conditioning of credit on purchases of other products; clear disclosure of the risks associated with insurance products; separation of insurance sales from routine banking activity; and new federal procedures to resolve consumer complaints;

- Provides new consumer protections as prerequisites for bank sales of investment products, including full disclosures regarding potential risks and the uninsured status of the products, and sales practices standards restricting such sales to qualified brokers and to areas separated from routine banking activity;

- Expands small business and rural development lending by making Federal Home Loan Bank advances available for small business, small farm and agribusiness lending by smaller community banks;

- Creates a new federal "Program for Investment in Microentrepreneurs" (PRIME) to provide technical assistance and capacity building grants for small or disadvantaged business with less than five employees that have limited access to business financing;

- Prohibits discrimination against victims of domestic violence in the underwriting, pricing,

sale, renewal of any insurance product and in the settlement of any claim;

States Congressional intent that financial advisors shall provide financial advice and products to women in an equal, nondiscriminatory manner.

#### MUTUAL REDOMESTICATION

A bill of this breadth will inevitably include some elements that are highly problematic and objectionable. I strongly oppose the conference report language on redomestication of mutual insurers.

This provision is not only not in the public interest, it is blatantly anti-consumer. It would circumvent well-designed and carefully considered state policy regarding the redomestication of mutual insurance companies. It has lit-

tle or nothing to do with financial services modernization. Rather it serves to undermine state law, which seeks to protect our constituents, for the benefit of a few.

The conference report could place as many as 35 million policyholders at risk of losing \$94.7 billion in equity. This amounts to a Congressionally approved taking of consumers' personal property. I believe this provision will not withstand legal scrutiny and should and will be the subject of legal challenge in the courts.

This provision would allow mutual insurers domiciled in states whose legislatures have elected not to allow mutual insurers to form mutual holding companies to escape that legislative determination. It would allow mutual in-

surers to move simply because a state, through its duly elected representatives, has determined that formation of mutual holding companies is not in the best interest of the state or its mutual insurance policyholders who are, after all, the owners to the company. This conference report will preempt the mutual insurance laws in approximately 30 states.

#### CONCLUSION

Overall, the conference report represents a reasonable and fair balance on a wide variety of difficult issues. Because of the many benefits this legislation provides for consumers, communities and the U.S. financial services industry, I offer my strong support to the legislation.

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily

Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, November 9, 1999 may be found in the Daily Digest of today's RECORD.

## MEETINGS SCHEDULED

## NOVEMBER 10

Time to be announced

Judiciary

Business meeting to consider pending calendar business.

Room to be announced

10 a.m.

Governmental Affairs

Health, Education, Labor, and Pensions

To hold joint hearings on federal contracting and labor policy, focusing on the Administration's change in procurement regulations.

SD-628

1 p.m.

Governmental Affairs

Investigations Subcommittee

To hold hearings to examine the vulnerabilities of United States private banks to money laundering.

SD-628

2 p.m.

Judiciary

To hold hearings on pending nominations.

SD-226